



BUDGET STATEMENT

OF

THE HONOURABLE LESLIE M. FROST

Prime Minister and Treasurer of the Province of Ontario

1955

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Prime Minister and Treasurer of the Province of Ontario

in the

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 10TH, 1955

On Moving the House Into Committee of Supply

Also Statements of

Economic, Financial and Statistical
Information



ONTARIO


TORONTO

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THURSDAY, MARCH 10TH, 1955.

MR. SPEAKER:

Eleven years ago, when I brought down my first budget, the financial plan I presented was designed for an Ontario quite different from that of today. We were then, of course, caught in the grip of World War II, and the course of the whole economy as well as our financial program was dictated by the essential requirements of that struggle. We emerged from the War a stronger province economically, and since then, each year has been one of surpassing development and expansion. As a result, the last decade has been one of more concentrated growth and progress than any corresponding period in our history. You will see many indications of that economic growth in this Budget, as well as some of the problems to which it has given rise. You will also see many evidences of improvements in health and social security, some of which have contributed to a rise of three to five years in life expectancy during the last decade.

Perhaps the best measure of our progress has been the growth in our population, which reflects the attraction we have to the people of other lands and provinces and the flourishing home conditions that have been conducive to family life. A dozen years ago, Ontario's population was growing at a rate of 40,000 a year. This year, the increase will be over 150,000. At 3 per cent per annum, our population growth has exceeded the rate of increase in the rest of Canada and been nearly double that of the United States. In twelve years, we have added a million and a quarter people—equal to the population of the whole of Metropolitan Toronto. We are now a province of 5,150,000, 30 per cent more than in 1943, and if we continue to grow at the current rate, our population will reach 6 million in 1960. We have not only drawn to this Province more than half the immigrants coming to Canada, but our own birth and natural increase rates have risen to the highest levels ever attained. This is a truly remarkable phenomenon, testifying eloquently to the basic soundness of the Ontario economy and to the confidence that our people have in its future.

This confidence is also seen in the \$15 billion that has been invested in the last dozen years in expanding and modernizing our industrial structure, in adding to our power, transportation and communication assets, in developing our

natural resources and in enlarging our physical stock of housing, highways, hospitals, schools and university facilities. Since 1943, the capacity of such Ontario industries as primary iron and steel, automotive, pulp and paper, farm implements, and nearly all appliances has been doubled and in many cases far more than doubled. The capacity of the Ontario hydro-electric generating system, one of the best yardsticks of our economic growth and of the rise in our living standards, has increased threefold. In the relatively brief span of a dozen years, 442,000 new job opportunities have been created in this Province. Despite the fact that employees in manufacturing now work five hours less every week than they did a dozen years ago, the average weekly wage or salary in Ontario has climbed 113 per cent. Consumer expenditure in the Province has risen by over 176 per cent, far outranging the increase in prices. Not only are Ontario people eating more meat, poultry, eggs and fresh fruits and vegetables, but it is a rare home that does not have some durable conveniences and labour-saving appliances. For example, the number of homes with mechanical refrigeration in Ontario increased by more than 800,000, or nearly four times, between 1943 and 1954. Those having vacuum cleaners increased by two and a half times while those with telephones more than doubled. The ratio of persons per passenger motor vehicle was reduced from 6.7 to 4.3. Herein is the measured march of our progress—translated into rising living standards, widely distributed across the Province and among all income groups.

All this has been very heartening to us, for in the formulation of our policy we have endeavoured to achieve an atmosphere favourable to economic expansion and to the steady advance of better living—not for the privileged or any special segment of our people, but for all. We have sought to do this through the adoption of a balanced program. We have tried to avoid extreme positions. We have moved rapidly to strengthen personal and family security through adopting comprehensive measures which were within our financial capacity to bear. Thus, we supported and co-operated in the establishment of Old Age Pensions and Old Age Assistance payments for persons 65 years and over. We pioneered a plan of Disabled Persons' Allowances. We raised Mothers' Allowances and increased the amount of assistance for Children's Aid. We stimulated the construction and establishment of Homes for the Aged by paying capital construction and maintenance grants. We initiated measures to treat the Indian members of our population as citizens of the Province. We established equal pay for equal work regardless of sex, and made it an offence to discriminate in employment on grounds of race, colour or creed. We took steps to expand and modernize hospitals and increase medical and nursing personnel. In a vigorous effort to reduce the burden of educational costs upon the municipalities and to raise standards of education in both rural and urban areas, we stepped up our grants to school boards sevenfold. We effected improvements in teachers' salary scales and superannuation benefits. We also introduced a system of "free" text books for pupils and undertook to participate with the municipalities in the distribution of "free" milk to school children.

In developing these comprehensive services, we recognized that each was dependent upon the rate of our economic development, and that its financial cost could only be underwritten out of the rising productivity of our industry. That has meant preserving economic incentives and maintaining a structure of taxation that would not hamper the broadening of our economic foundations or the heightening of opportunities for employment. The record of our progress over the past dozen years testifies to the success that we have met.

PUBLIC INVESTMENT AND EMPLOYMENT

The especially rapid rate of our economic growth, combined with the deferment of construction of public projects during the war years, has made necessary a vigorous acceleration of capital construction of new highways and municipal thoroughfares and roads, of schools and hospitals, and of public works of all kinds. In the current fiscal year ending this March 31, the Government's capital program, including developmental expenditures made out of ordinary account, will total \$130 million. In addition to the Province's own expenditures for capital purposes, large construction programs are being carried out by the municipalities, Ontario Hydro, the Ontario Northland Railway and various other utilities and boards. Altogether, these expenditures have been an important factor in providing employment in the Province, especially when supplemented by expenditures for repairs and maintenance of roads, buildings and other public works. This has in effect meant that the capital and maintenance program of the Government and its subsidiaries, and the municipalities which the Government heavily subsidizes, has approached \$50 million a month.

During the coming fiscal year, 1955-56, the capital investment, repair and maintenance programs carried on by all Ontario provincial and municipal authorities, including the Hydro-Electric Power Commission and the Ontario Northland Railway, will be well over \$700 million. The direct and indirect employment created by this expenditure is estimated at upwards of 375 million man-hours, or the equivalent of an average monthly work force of more than 175,000 persons. Direct on-site employment is approximately matched by off-site labour in feeder or supporting industries supplying material for various projects. In a vast works program of this kind, there are always other indirect employment effects from the expenditure resulting in the generation of secondary or tertiary income and employment. Thus, the very large public investment program projected for the coming fiscal year, of which there is no peace-time parallel in Canada, will make a notable contribution to the alleviation of unemployment.

During the period from 1943 to 1954, the Province absorbed through expansion of industry the increase in its work force. But, last year, with the transition from an economy dominated by war and defence spending and shortages of most consumer goods to the keenly competitive buyers' market that we normally associate with peace-time conditions, we met a different problem. Actually, last year employment was consistently higher than in 1953 or in any

preceding year, but new opportunities in Canada did not open up sufficiently to absorb the whole of the increase in our labour force and the inevitable outcome was a rise in unemployment.

Aside from this factor, the economic health of the Province over the past year was good. Capital investment in 1954 was up 2 per cent over the preceding year; the total provincial product and income held their high 1953 levels; salaries and wages rose 3 per cent; inventories were reduced; consumer prices were steady and expenditures were slightly higher; there was some recovery in textiles; the value of the Province's mineral output was higher; pulp and paper production set an all-time record; while, encouragingly, Ontario's farm cash income rose by 7 per cent, reversing the downward trend that had persisted for two years.

Despite these favourable developments, unemployment in the Province, as measured by the number of claimants on the ordinary unemployment insurance register, has, in recent months, been running about one-third higher than in the corresponding months a year ago. This is still a lower rate of unemployment in relation to our labour force than in the rest of Canada, and it maintains an advantage that has now been favourable to us throughout the last dozen years. Nevertheless, we are concerned. The primary responsibility for maintaining high levels of income and employment lies, of course, with the Federal Government. Under the Constitution, it has exclusive authority over the money supply, banking and credit, and over foreign exchange, tariffs and international trade agreements. It is responsible for the operation of the unemployment insurance plan and the employment placement offices. It occupies the main fields of taxation, possesses the principal borrowing power and is, therefore, in the best position to stimulate an increase in employment. In partnership with the Federal Government, the provinces and the municipalities may, nonetheless, make an extremely significant contribution to economic stability by undertaking a program of useful capital works. This we propose to do, as is evidenced by the enormous public investment program to which I have referred.

In Canada, most of the projects which lend themselves to timing lie within provincial and municipal jurisdiction. Our population growth has created a large, continuing need for highways, electric energy and other power developments, conservation works, schools, universities, hospitals, municipal roads, sewers, disposal plants and water works, all of which exert a strong dynamic force in support of employment. Although we already have under way a large capital investment program, we are prepared to play an even fuller part in providing useful work and assets for our people.

SUMMARY OF EXPENDITURE AND REVENUE

Following our policy of affording the fullest information on the Government's operations, I have again made improvements in the Budget Statement. In the appendices, you will find many additional tables and charts outlining the growth in our provincial economy and public services, and at the same time pointing up some of the problems with which we are confronted. Last year, for

the first time, I presented in an appendix to the Budget a detailed statement showing a four-year comparison of the Province's ordinary and capital expenditures and revenues, its surplus and the effect of capital financing on net debt. I am again including this statement, which has been extended to cover the past five years.

I am also tabling for the first time detailed statements of the capital construction and maintenance programs for highways and municipal roads and for other public works. Our object is to make available to the members of the Legislature and to the people of Ontario the fullest information on our activities.

For the current fiscal year ending March 31, 1955, the net ordinary expenditure of the Government is estimated at \$388,238,000. This expenditure includes a number of special grants and payments, to which I shall refer in a few minutes, as well as provision for sinking fund of \$17,536,000. The net ordinary revenue of the Government is estimated at \$388,942,000, leaving an interim surplus on ordinary account of \$704,000 after again making a large provision for sinking funds, which helps keep our credit position strong. This is the Government's twelfth consecutive surplus.

SPECIAL GRANTS AND PAYMENTS

It is a source of great satisfaction that we have been able to carry through a full program of services and to end the year in a financial position which will permit us again to make special provisions to assist our hospitals and universities and to supplement the Teachers' and Public Service Superannuation Funds.

Before the end of this fiscal year, we propose to pay to the public general hospitals for equipment and apparatus a grant computed at the rate of \$200 per bed. The details of these payments are shown in an appendix, but a few examples here will illustrate:

Belleville, General Hospital	\$ 27,800
Brantford, General Hospital	66,600
Fort Frances, La Verendrye Hospital	20,000
Fort William, McKellar General Hospital	81,200
Goderich, Alexandra Marine and General Hospital	11,600
Hamilton, General Hospital	204,800
Hamilton, St. Joseph's Hospital	95,800
Niagara Falls, The Greater Niagara General Hospital	35,800
North Bay, Civic Hospital	20,200
North Bay, St. Joseph's Hospital	23,200
Port Arthur, General Hospital	51,400
Port Arthur, St. Joseph's Hospital	37,200
Toronto, General Hospital	278,600
Toronto, St. Michael's Hospital	160,400
Toronto, Sick Children's Hospital	152,400
Toronto, Salvation Army Grace Hospital	11,000
Woodstock, General Hospital	17,200

In addition to these payments, a special grant of \$500,000 will be paid to St. Michael's Hospital because of its unique work in the treatment of accident cases in downtown Toronto and the provision of X-Ray and Out-Patient Services.

A special grant of \$200,000 will be paid to the Salvation Army Grace Hospital to assist it in carrying on its welfare work related to the care and treatment of mothers and children.

Two other special grants will be made on an experimental basis for health improvements. These are:

1. A grant of \$250,000 to provide a quantity of vaccine in excess of that available under an existing quota to make possible the vaccination against poliomyelitis of all children in Grades I and II; and
2. A grant of \$100,000 to the Ontario Heart Foundation for research into the cause and cure of heart ailments.

It is proposed, as well, to provide a grant of \$18,000 to the Ontario Division of the Red Cross Society for a special project to reduce the toll from drowning.

An additional capital grant of \$1.0 million will be paid to the Ontario Cancer Treatment and Research Foundation. With this grant, the Province will have made available for the Ontario Cancer Institute a total of \$7.3 million, which will be applied to meet the cost of the new building and its equipment and the erection of a nurses' residence and other facilities associated with the Institute's work. The total cost of this cancer project, one of the most modern in the world, will amount to \$9.5 million, of which the Province's contribution will be \$8.5 million. The work on the foundation of the building is now almost complete and progress is being made on the steel structure. Prospects are that the building will be completed by the fall of 1956.

An additional \$1.0 million will be made available for an expansion of the Dental College of the University of Toronto, increasing the amount that we have made available for this project to \$2.0 million. It has been our expressed hope, owing to the shortage of dentists throughout Canada and the close relationship between good dentistry and good health, that the Federal Government would join Ontario in making a substantial contribution to this project. I believe that this is a matter to which the Government at Ottawa should give its favourable consideration, and the Province stands prepared to match any amount that it provides. A site is available in close proximity to the Sick Children's Hospital and the Toronto General Hospital, which would permit the closest possible relationship to be developed between the dental and medical health branches.

Special grants are also being paid to the universities for construction and deferred maintenance. We are deeply conscious of the role of the universities in advancing research and science and of affording opportunities for continuing intellectual and spiritual development. The sustained economic growth of our whole Province, and indeed of the whole nation, will depend to a large extent upon how we contribute to and utilize the multitude of new advances made possible

by modern science. To assist the universities in meeting the impending sharp increase in enrolment, we, therefore, propose to pay to them this year special grants totalling \$5,600,000, as follows:

The University of Toronto, for construction and deferred maintenance	\$1,800,000
The University of Toronto, for the Faculty of Dentistry	1,000,000
Queen's University, for construction and deferred maintenance	600,000
University of Western Ontario, for construction and deferred maintenance	600,000
McMaster University, Hamilton College, for construction and deferred maintenance.	300,000
University of Ottawa, for the Faculty of Medicine	300,000
Carleton College	200,000
Assumption University, for Essex College capital account	200,000
Ontario College of Art, for extension of building	600,000
Total to Universities and Colleges	\$5,600,000
Royal Botanical Gardens	100,000
Total	\$5,700,000

We are proposing again to make payments of \$1.0 million to the Teachers' Superannuation Fund and \$1.0 million to the Public Service Superannuation Fund to strengthen the financial position of these two funds.

Supplementary estimates providing for the payment of these amounts before the close of the present fiscal year will be introduced.

HUMAN BETTERMENT: EDUCATION, HEALTH AND WELFARE

While our economic growth has raised living standards and resolved some problems, it has obviously created others. Unquestionably, one of our most important problems is education—that is, providing the schools and teachers for the rapidly growing number of children in this Province. While in the last twelve years our overall population has increased by 30 per cent, the number of children under fifteen has increased by 55 per cent. These figures have significant implications. Two years ago, I referred to an increase of 50,000 pupils in our elementary and secondary school enrolment. Last year I pointed out that we needed additional classrooms to accommodate 60,000 more pupils, and now next September we will need facilities for an increase of about 70,000 pupils, at which time we will have an enrolment in our elementary and secondary grades of 1,050,000. In the past year alone, accommodation for 69,000 pupils was provided at a cost of \$48 million, while over the last decade, school facilities for nearly 350,000 pupils—an increase of 55 per cent—were built at a cost of over a

quarter of a billion dollars. Through our provincial grants, we have substantial part of that expansion. When I first became Treasurer, our the school boards were little more than \$8.0 million. This year, under our assistance formula, they total \$65 million and in 1955-56 they will rise to another \$6.0 million, to \$71 million.

Maintenance grants to the universities next year will amount to \$7.3 million, which, together with the special grants for capital and deferred maintenance voted this year, will mean a payment to the universities of \$12.9 million.

Our educational program also assists deserving students of ability and industry who are financially handicapped. Introduced in 1943, this program has expanded rapidly until in the current academic year bursaries or awards are being paid to nearly 1,800 students to enable them to carry on with their studies. We have proposed to the Federal Government that a new joint project, widening the scope of our assistance, should be initiated. The Province has been conscious of the need for more scholarships of this type which supplement those provided from the funds we make available to the Ontario Research Foundation.

We have greatly expanded our assistance to libraries, the amount having been increased from \$45,000 to over \$800,000 in twelve years. As a result of legislation passed at the 1953 Session, classes for retarded children have been established and are meeting a real need. Grants of \$250 per pupil on average daily attendance are paid to parent groups which run such classes in affiliation with the Ontario Society for Retarded Children. Last year, there were nine classes; now there are twenty-four, with an enrolment of over 500 pupils.

Funds will be provided to extend the full benefits of the 1954 amendment to The Teachers' Superannuation Act to the 3,000 teachers who retired on pension before the passing of that amendment. In addition, provision will be made for a monthly allowance of \$25 to approximately 350 widows of teachers who died before the passing of the 1949 amendment, which inaugurated the payment of dependants' pensions from the Superannuation Fund. This widows' allowance will date back to April 1, 1954.

In consequence of these and other improvements, and particularly the assistance which we are rendering to the school boards and municipalities, the Government's bill for education next year will total \$92.4 million—an increase of \$12.3 million over last year's appropriation and, indeed, more than the Government's entire ordinary Budget before World War II. Such is the change in the times that has taken place.

Further steps are being taken to strengthen the Province's comprehensive health services. As I look back, it seems hardly possible that in 1942-43 only \$10.8 million was spent for health compared with our outlay this year of \$57.7 million, which is \$5.3 million higher than even a year ago. I think it may be said without contradiction that we have done a great deal to stimulate the expansion of public general hospitals and to assist them in their maintenance

Indeed, this year, 38 per cent of our whole health budget will go to general hospitals. In addition to the maintenance grants, we will pay to the public general hospitals before the close of this fiscal year a special grant of \$200 per bed for the acquisition of equipment and apparatus that will improve services and lead to economies in operation. All told, our payments to the public general hospitals this year will amount to \$21.8 million as against a payment of \$1.1 million in 1942-43.

This amount includes grants which we pay out of ordinary account for hospital construction. The capital grant program for public general hospitals and sanatoria, introduced by this Government in 1947, has been a notable success. Up to December 31, 1954, the Province had approved beds committing it to an expenditure of \$35.6 million and had actually paid out a total of \$30.5 million. Since 1947, 21,621 hospital and nurses' beds and 3,103 nursery beds have been approved for capital grants. Arrangements have been completed permitting the payment of capital grants of \$1,000 for every 300 sq. ft. of floor area to public general hospitals for outpatient departments and certain auxiliary-services accommodation. About 70 hospitals have submitted applications involving commitments by the Province of \$1.3 million up to the end of December, 1954.

The expansion of facilities for the care of the mentally ill, together with the advances made in the overall treatment of these patients, has made rapid progress. On March 31, 1943, there were 14,264 beds in the Ontario mental hospitals; on January 31, 1955, there were 19,327—an increase of 5,063 beds, or 35 per cent. During 1955, an additional 2,120 beds will come into service, 800 of them being at Smiths Falls; 320 at Port Arthur; 100 at Queen Street, Toronto; 300 at Orillia and 600 at Brockville. The Smiths Falls Hospital, containing 2,200 beds and the largest hospital school in Canada, will be completed by the spring. Construction has also started on the 1,200 bed hospital at North Bay and it is expected that work will soon begin on five other hospitals, providing a total of 1,810 beds, of which 500 will be at Kingston, 600 at Hamilton, 300 at Orillia, 260 at Brockville and 150 at Penetanguishene. It will be noted that these facilities are being built in different areas of the Province. Our object in doing so is to reduce transportation costs and make it more convenient for the relatives and friends of patients to visit them.

Under the policy adopted in 1951 of encouraging general hospitals to build psychiatric units for preventive treatment in mental and nervous cases, 12 hospitals have established or are establishing new psychiatric divisions with 397 beds, towards which the Province will be contributing \$3.4 million.

As I have indicated, we propose to support, on an experimental basis, a number of new health research projects. One of these will be in connection with poliomyelitis, for which a vaccine which it is hoped will reduce the incidence of this disease is now being prepared. The Federal Government has undertaken to make \$125,000 available, but we are supplementing that by the amount of

\$250,000 in order to provide for vaccination against polio without charge of the 260,000 pupils enrolled in the first and second grades of the Province's elementary schools. An appropriation of \$100,000 has also been provided as a grant to the Ontario Heart Foundation to put them in sufficient funds to undertake research in heart ailments. Two other new services are being incorporated in the Maternal and Child Health programs of the Department and funds will be provided for them. These are: provision for better facilities in hospital nurseries for the care of premature infants and the extension of our laboratory services to include the examination of blood for the determination of the RH factor with a view to reducing mortality among new-born infants.

I have already made reference to the \$9.5 million Ontario Cancer Institute, for which an additional capital grant of \$1 million is being provided, and to the Ontario Dental College of the University of Toronto, to which an additional \$1 million is also being made available.

The high standard of Ontario's health services is confirmed by statistics on the incidence of disease and mortality. In recent years, spectacular advances have been made. For instance, between 1943 and 1954, the overall death rate in the Province declined by 14.3 per cent while life expectancy increased by an average of 6 per cent. The number of deaths from tuberculosis per 100,000 of our population was reduced by over 70 per cent. Maternal mortality was reduced by 65 per cent and infant mortality by 27 per cent. These reductions are, of course, the result of many factors—advances in medical science, better diet, improved diagnostic services and more skilled medical and nursing treatment, but they are also the result of improved public health services, including more modern and better equipped hospitals.

The welfare services of the Province are constantly being reinforced and expanded. In the current fiscal year, 1954-55, the expenditure of the Department will be \$26.0 million and for next year we are asking the House to approve an appropriation of \$27.8 million. It is especially gratifying to us that some of the legislation pioneered in this Province has been adopted on a Canada-wide basis. Two years ago, we began paying allowances for Disabled Persons and set an example that has resulted in the Federal Government inaugurating, on the model of the Ontario Act, a system of Disabled Persons' Allowances across Canada. To reinforce our program of Old Age Security, we introduced in 1949 a plan of capital construction grants for Homes for the Aged and two years ago we supplemented this by an amendment providing for the payment of grants, now \$2,000 per bed, for the construction or extension of Homes for the Aged operated by private charitable organizations. Forty-seven new Homes or additions to existing Homes have either been constructed or are now in the process of planning or construction under this policy. One of these new Homes is the \$3 million project at Newmarket. Ontario was the first province in Canada to provide medical services for recipients of various welfare programs and, this year, many thousands of persons will have the benefit of medical services at a cost to the Province of nearly \$2 million.

This year, the Province's expenditures for allowances to mothers and their dependants, which are the most generous anywhere in Canada, will amount to \$6.6 million and this is expected to increase next year to \$6.9 million. Under The Indian Welfare Services Act introduced at this Session, native Indian widows living on or off reserves will be entitled to receive benefits.

Child Welfare has been an important part of the Department's activities and an increased appropriation will also be required for the Children's Aid Societies. Ontario is the only Canadian province sharing in the cost of Public Day Nurseries and an appropriation is again to be made for this purpose.

The Department of Welfare has been giving careful study to various services rendered to handicapped persons and is now in the process of reorganizing and reinforcing those services through the coordination of the various activities related to this work. An additional appropriation will be made to implement the amendments relevant to the Blind Persons' Allowances which permit persons to become eligible for pensions at age eighteen (formerly twenty-one) and to earn higher annual incomes.

I think you will agree that we have not been unmindful of the need for human betterment. Each year, our combined expenditure on education, health and welfare has been increased until this year it will reach a total of \$171.9 million—five times greater than the \$34.6 million which was expended in the year before I became Treasurer, and I hardly need add that next year it will again be higher.

HOUSING

The prediction I made last year that Ontario would again enjoy a record volume of house building activity has been justified by events. A year ago, I drew the attention of the House to the fact that the total completions in 1953 of 36,504 were 12 per cent higher than those in the previous record-breaking year, 1951. I am pleased to announce to the House that last year there was an additional increase of 17 per cent over 1953. 42,729 dwelling units were completed, amounting to 41 per cent of all units constructed in Canada in that year. The position is a happy one, for the large number of units still under construction augurs well for a continued high level of activity throughout 1955.

House building was particularly active in Metropolitan Toronto last year, which was the first complete year of operation of the metropolitan plan of government. The number of housing units completed in 1954 was 16,252 or 72 per cent higher than in the preceding year. These figures offer the most conclusive testimony of the impetus that the metropolitan plan of government, approved by the Legislature at the 1953 Session, has given to housing activity in this area. By creating a metropolitan form of government for common services and by pooling the financial resources of the thirteen municipalities, we have helped strike off the fetters that were restricting the building of houses in this area of 1¼ million people.

I have outlined in previous budget addresses the various methods used by the Province in partnership with the Federal Government to increase the supply of housing. Recognizing that the most urgent need in many municipalities experiencing a rapid growth in their population is for serviced lots at reasonable prices, we have continued to acquire large tracts of land and to enter into arrangements for their utilization for house building purposes. Under these land assembly arrangements, negotiations have proceeded, or are proceeding, under which more than 30,000 serviced lots will ultimately be made available.

Increasing emphasis has been put upon rental housing projects for families who cannot yet afford to build or buy their own homes. In time, of course, many of these families are able to move into houses of their own. Rental housing projects have been completed in such municipalities as Arnprior, Amherstburg, Dunnville, Ft. Erie, Ft. William, Galt, Guelph, Goderich, Hamilton, Lindsay, Midland, Pt. Arthur, Prescott, Renfrew, Smiths Falls, St. Thomas, Stratford, Stamford, Sault Ste. Marie and Windsor. Four other municipalities are awaiting completion of similar house construction. In the Toronto metropolitan area alone, agreements are pending with the Metropolitan Corporation and local municipalities for the provision of some 12,000 land assembly lots, 1,300 fixed rental units (Lawrence Heights) and 700 subsidized rental units (Regent Park South). The Province is already contributing in respect of the Regent Park North development, on the basis of \$1,000 for each unit, to a total of 1,274 units. The project at Lawrence Heights is a \$12 million undertaking to provide moderate rental units.

The Provincial and Federal commitments for both land assembly and rental housing schemes to March 31, 1955 involve a total outlay of over \$26 million.

The Second Mortgage Plan introduced by the Ontario Government in 1948 and later superseded by the provisions of the National Housing Act is financially sound, and I am able to report to the House that by January 31, 1955, 4,499 loans out of a total of 14,695 had been fully repaid. On the same date, the principal outstanding had been reduced to \$9.1 million out of a total of \$16.6 million advanced under the Second Mortgage Plan. For the fiscal year 1955-56, we are placing \$6.5 million in the Estimates for the various Federal-Provincial land assembly and rental projects and an additional \$288,000 to meet the Province's commitment with respect to the Regent Park North project.

RESOURCE DEVELOPMENT: AGRICULTURE, FORESTRY AND MINING

Ontario's three basic resources—agriculture, forestry and mining—had higher values of production in 1954 than in the preceding year. The improvement in agriculture was especially heartening, for it not only reversed a downward trend in the Province but moved against the trend in Canada as a whole. Ontario's farm cash income last year, which was \$49 million above that in 1953, was the second highest in the industry's history.

This improvement strengthens our conviction that Ontario agriculture is, on the whole, soundly based and that it is meeting the problems of adjustment with imagination, courage and vigour. Many people who are not associated with agriculture do not realize the revolution that has occurred in this industry. Despite a decline of a third in its labour force over the past quarter of a century, the industry has been able to increase its physical output by a substantial margin, aided by the adoption of electrical and mechanical devices on the farm and the introduction of scientific methods and improved crops and breeds of cattle. That increase is a great tribute to the farmers of this Province. It demonstrates their willingness to accept new ideas and their capacity to master new techniques and new types of machinery.

The introduction of electrical and mechanical equipment on the farm has made exceptionally rapid headway in recent years. In a single decade—1941 to 1951—the number of motor trucks on Ontario farms more than doubled, the number of tractors tripled, grain combines increased thirteen-fold, and electric power installation became commonplace. At the end of December, 1954, Ontario Hydro was serving 390,617 rural customers, of whom 254,453 were connected for electric power in the years 1944 to 1954, an increase of 187 per cent. Two-thirds of all customers now being served by Ontario Hydro were connected for power during this eleven-year period, while one-third were connected in the previous 22 years dating from the time the original legislation, providing for provincial assistance of 50 per cent of the cost of rural power extensions, was authorized by the Legislature. During the fiscal year 1954-55, the Province will have spent \$8.3 million for extensions and betterments to supply service to 19,000 customers, and we are providing an additional \$8.0 million to fulfil our commitment on a planned program to bring service to an estimated 30,300 new customers in 1955.

Another major improvement, complementing the extension of electric power in the rural areas, is taking form in the extension of the activities of the Ontario Telephone Authority. I am confident that the Honourable Members will agree that this is one field where improvements can be realized, and that they will serve not only to broaden and improve the telephone services of our rural inhabitants but increase the efficiency of the rural areas and make them more attractive localities for new industry. In this way, we may move one step closer to achieving the type of balanced development of the whole Province which has our abiding interest. It was back in 1951 that we pioneered this service by setting up a committee to review the telephone service to residents in the rural parts of the Province. At the Session last year, we created the Ontario Telephone Authority and this year we will give further effect to this legislation by establishing the Ontario Telephone Development Corporation with a revolving fund of \$250,000 to acquire, construct, operate, maintain, sell, and buy and sell shares in, telephone systems in rural areas. Our whole object in setting up this Corporation is to better the telephone service of those living in the rural parts of the Province.

The Community Centres Act has brought notable benefits to the rural communities. Since this legislation was passed in 1948, the Province has assisted in the financing of 215 halls, 235 athletic fields, 155 skating arenas, 59 outdoor rinks, 86 combination arenas and halls and 21 swimming pools. The Junior Farmer Establishment Loan Corporation, established in 1952, is also serving a valuable purpose in making funds available to qualified young farmers who would like a farm of their own. Up to January 31, 1955, the Corporation had approved 1,098 loans involving payments of \$7.0 million.

The mining industry of Ontario enjoyed another prosperous year. Value of production rose to \$485 million, an increase of 9 per cent over that of 1953, setting another new record. This is an indication of the broadening picture of mining in Ontario. Last year, I drew attention to the rich discoveries of uranium in the Blind River and Haliburton areas of the Province and of copper, zinc and silver in the Manitouwadge area. Intense development has followed the initial finds and work has advanced to a point where production is expected in the very near future. At Blind River, a new townsite—Elliot Lake—has been laid out to serve the Algom and Quirke Lake Ore bodies. This townsite is planned for a community of 15,000. Similarly, in the Manitouwadge area, a new townsite is being planned for a community of 6,500 people. In addition, there has been a great deal of interest in the Tashota area in northwestern Ontario, where exploration for base metals is meeting with encouragement. The mining of iron ore at several locations is moving forward rapidly, bringing Ontario to the fore as one of the principal sources of this metal. The great treasure house of metals in the Sudbury area continues to reveal vast new reserves. Indeed, the whole northern part of the Province, from east to west, has been in an intense state of exploration and development. In 1953, there were 27,000 claims staked in Ontario, which was about double those in a normal year, but in the past year the number of claims registered in this Province rose to the astounding total of 50,230.

Work on mining access roads will be continued. Since we began providing funds for this purpose three years ago, more than \$2.5 million has been spent, and it is proposed this year to provide an additional \$1.0 million. During the past year, work has been carried out in the Manitouwadge and Blind River areas and on the Sothman-Semple Road, the Warren Lake road extension and on the Potterdoal Road in the Porcupine district. In the coming fiscal year, new, or substantial improvements to, access roads will be undertaken in the important mining areas. As usual, funds will be provided for geological survey parties and the Government will continue its program of financial assistance to the mining municipalities, amounting next year to \$1.5 million.

The forest industries of Ontario, from logging to paper products, have again achieved an outstanding record of output; and with our expanding economy and the growth in our markets, the immediate outlook is for even higher production and increased employment. This, of course, emphasizes the necessity of adhering to a policy of sustained yield to which we have been devoting a great deal of thought and attention, as was exemplified by the White Paper on Forestry

presented to the Legislature at the last Session. As part of that policy, we have introduced a new system of assisting forest management by building logging roads into public management units.

The Province's forest conservation and protection services are also being improved. Additional work is being carried out on the forest inventory which during the past year was extended to the Patricia District as well as to parts of southern Ontario. Many thousands of square miles in these areas were photographed and mapped and inventory reports are now in the course of preparation. On the basis of such surveys as these, plans were completed during 1954 for 123 forest management units, of which 87 are to be annexed by the Province and 36 will consist of limits operated by pulp and paper companies under permit. There will be additional photographing and mapping in 1955. In addition, we are stepping up the output of nursery stock for reforestation. Last year, 10 million trees were planted on Crown land and an additional 15 million trees were distributed. Steps are being taken to increase the output of nursery stock this year to 27 million trees. To make these expanded activities possible, the Estimates of the Department of Lands and Forests are being increased next year by \$740,000.

At the last Session of the Legislature, we adopted a new Parks policy with a view to affording our people fresh opportunities for relaxation and enjoyment among the natural beauties of the Province. Since then, the northern sections of the Province have been zoned for recreational land use and steps have been taken to preserve our parks as public vacation lands. We also have made progress in reviewing potential park properties in southern Ontario. In conformity with this policy, we are setting up the Ontario-St. Lawrence Parks Commission and providing an appropriation of \$150,000 for it in this Budget.

Taking the three resource departments—Agriculture, Mines and Lands and Forests—together, we are this year spending 140 per cent more than was being devoted to these purposes in 1942-43, and for 1955-56, we are making a further increase of \$1.4 million in our appropriation.

CONSERVATION

The creation of the Department of Planning and Development in 1944 has enabled us to bring into sharp focus the requirements of conservation. That it has become an important feature of our Government program is shown by the increasing number of municipalities which have embarked upon flood control and general conservation plans. The past year has been no exception with four additional Conservation Authorities having been created. There are now 19 such authorities in the Province, embracing a total membership of 287 municipalities in an area of 11,655 square miles. The four new Authorities added this year are: the Credit; the Rouge River, Duffin Creek, Highland Creek and Petti-coat Creek Authority; the Neebing Authority; and the Otter. In addition, the Big Creek Authority was increased to double its original size. Thirty-one surveys have been made, covering watersheds, either in whole or in part.

During the current fiscal year, four projects involving an expenditure of \$5.1 million were completed, bringing the total investment in flood control works up to \$7.3 million, as follows:

Long Branch Flood Control	\$ 80,000
Ingersoll Channel Improvement	1,000,000
Pt. Franks Flood Control	120,000
Fanshawe Dam and Reservoir	4,890,000
Luther Marsh Dam	247,123
Deloro Dam	52,000
Brampton Flood Control Dam	920,750
	<hr/>
	\$7,309,873

During the coming year, 1955-56, work estimated to cost \$5.4 million will be started on the Conestogo Dam of the Grand River System. In addition, plans have been completed or are being readied for construction of conservation and flood control schemes entailing a capital investment of \$29.4 million. Preliminary field surveys have been completed for other projects involving an outlay of \$24.9 million, making an overall capital investment of \$54.3 million.

The floods following the hurricane which last October swept through central Ontario pointed up in a very marked manner the dangers inherent in man's encroachment on the flood plains of rivers. To provide assistance for structural losses, damage and repairs, the Flood Homes and Buildings Assistance Board, set up by the Province, has made payments with respect to 788 applications. Moreover, in order to avoid a repetition of the loss of life and property occasioned by this disaster, and as a further step in the Province's broad conservation program, houses located in the seriously damaged flood areas are being condemned and the owners thereof compensated. Plans providing for joint provincial-municipal participation in the financing of the acquisition of approximately 500 properties have been worked out and steps taken to ensure that no building will be allowed in these danger areas and that the lands so acquired will be retained for flood control and conservation purposes.

As an integral part of the task of preserving our natural heritage, emphasis has been placed on reforestation. Ten authorities have signed agreements with the Department of Lands and Forests for land purposes, planning, management and the planting of trees. Farm planning has also been promoted through little valley studies and the building of farm ponds and reforestation. Assisted by provincial grants, an additional 150 ponds have been built, bringing the total ponds now constructed with provincial assistance to 750. Grants have also been made for public relations and educational activities in connection with schools, forestry clubs and other groups interested in conservation. During the coming fiscal year we are placing in the Estimates of the departments concerned \$17.7 million for conservation, an increase of \$2.1 million over last year's expenditure.

HIGHWAYS

As I have stated, we are proposing next year to undertake an unprecedented volume of highway construction. This is being planned in response to two main demands: first, that created by the tremendous rise in motor vehicle traffic, and second, the rise in unemployment.

The growth in traffic is a matter of record. Since 1945, the number of motor vehicle registrations in Ontario has increased by 824,000, or 124 per cent. To meet this growth in demand, which has been supplemented by a large increase in the number of motor trucks, particularly of the heavier types, and of motor vehicles from other provinces and states, we have not only accelerated our highway program but at the same time carried out a major reorganization of the administrative divisions and methods of the Department.

The whole matter of the reorganization of the Department of Highways may now be placed in proper perspective. It was commenced in October, 1952, by modernizing The Highway Improvement Act and strengthening the Department's organization. Dishonesties which were uncovered in the course of the surveys which were being carried out for a time obscured the real work of reorganization which had been undertaken. Fortunately, these dishonest practices involved only a very small area of the vast undertakings of the Department, and prompt steps were taken to see that they could not occur again. The real importance of what has taken place, however, is that we have remedied a situation which has plagued every Canadian administration, and the administrations in other jurisdictions, for a great period of time. I refer to the problem of "over-runs", that is, the difference between the original estimates of the work and the final cost of the work. Sir Wilfrid Laurier was concerned with the same problem which arose in connection with the Grand Trunk Pacific Railway. In a speech in 1909 (Hansard, Volume III, page 5527), Sir Wilfrid cites several examples of the same type of problem we set out to remedy in 1952 immediately following the passage of the legislation revamping The Highway Improvement Act at the Special Session in October of that year. I have earlier in this Session given examples of the persistence of these "over-runs", going back into other administrations, and I have compared the year 1950 with the year 1937 during the Hepburn administration, when the dollar value of the work performed and the amount of "over-runs" were almost identical. In 1952, we refused to concede that the problem was one for which a remedy could not be found. We set out to find a solution and I am satisfied we have. After a thorough study, we introduced new methods of pre-engineering and post-audit engineering and so organized the staff that all of these activities will be properly and efficiently performed. Highway contracts are given under a system of competitive tendering. We are now embarking on the greatest public investment program in the history of this or any other province, and this House and the people of Ontario can be assured that we are undertaking it with the most efficient administrative machinery the Province has ever had, and that its efficiency will increase as we go along. I can say without challenge

that we have dealt with the problem from the standpoint of good business. We have not been satisfied that this situation, which has been common to many administrations in many jurisdictions, must be accepted as necessarily running with large construction undertakings. We refused to accept the position that it could not be remedied. We were determined to find the remedy and implement it. This we have done.

Regarding expenditures of the Department, in 1950-51, excluding transfers to the Highway Reserve Account, we spent on maintenance and new construction a total of \$83.2 million, while in this fiscal year ending March 31, 1955, our expenditures will be \$123.7 million.

This year, three major highway projects have been completed: the Orillia by-pass on Highway 11; the 17-mile diagonal road from Highway 35, in the vicinity of Pontypool, to Highway 28, southwest of Peterborough; and the Atikokan Highway, approximately 75 miles in length, running from a point 55 miles west of Fort William to the Town of Atikokan.

A total of 23.5 miles of controlled paved access highway was also completed on Highway 115, from 4 miles north of Orono to the intersection of Highway 27, and on the Orillia by-pass on Highway 11, from Forest Home to 2 miles north of Orillia. In addition, over a mile of new dual highway was opened on Highway 401, from Yonge Street to Bayview Avenue.

A further 31 miles of the Trans-Canada Highway were paved in the course of 1954, bringing the total distance completed since the signing of the agreement with the Federal Government in April, 1950, to 234 miles. Further work carried out on the Highway includes 66 miles cleared, 47 miles graded and 6 road bridges constructed.

The different types of work to be completed during the 12 months ending on March 31, 1955, may be summarized as follows:

- 280 miles of pavement re-surfaced;
- 181 miles of gravel road paved with hot mix;
- 170 miles of road surfaced with a mulch pavement;
- 263 miles of road graded;
- 30 new road bridges constructed.

Projects now under construction and on which work will be continued include main highway by-passes in the vicinity of London, Ingersoll, Woodstock, Toronto, Trenton, Belleville, Kingston, Washago and Brockville. Work is proceeding along the entire length of the controlled access Toronto by-pass, extending from the Queen Elizabeth Way in the west to Highway 2A in the east. All contracts for grading have been let, together with the bulk of the contracts for bridges. The portion of the by-pass extending from the Queen Elizabeth Way to Bayview Avenue should be completed by the middle of 1955. The construction of the dual highway east of Windsor is continuing. The St. Lawrence Power and Seaway projects have rendered necessary the relocation of

approximately 36 miles of the existing Highway 2 between Iroquois and Cornwall. The first section of this work (7.3 miles in length, to the west of Cornwall) is now under construction and when completed this coming summer, will be brought into immediate use, thereby diverting "through" highway traffic from the congested area to be occupied by the powerhouse, headworks and dams. Construction on the balance of the 36 miles will continue during the coming fiscal year.

For next year, an appropriation of \$16 million is being provided to repave well over 700 miles of highway in various parts of the Province.

The construction of a number of new roads in northern Ontario will also be undertaken to link to the provincial highway network communities which have no outlet by road to other parts of the Province. In addition, we are pushing forward with the construction of mining and forestry access roads in accordance with the broadening picture of mining in the Province and our policy of opening up hitherto inaccessible regions of mature timber. To carry out this work, appropriations totalling \$1½ million are being included in the Estimates of the Departments of Mines and Lands and Forests, but all contracts will be let and supervised by the Department of Highways.

With respect to the Trans-Canada Highway, there is a considerable volume of work going forward on contracts already issued and additional contracts will be let during the coming fiscal year, 1955-56, for 128 miles of paving, 80 miles of grading, 5 miles of gravel and 13 new bridges.

Funds will be provided to enable the Province to carry out its new program of classifying and marking highways. It is planned to integrate into the King's Highway system the Province's secondary system located in the northern developmental areas. A series of classifications of highways designed to meet the varying requirements of the Province will be introduced, and, as part of that plan, secondary roads will be numbered and shown on road maps.

The needs of the municipalities for an expansion of their road systems are being recognized and additional appropriations are being provided for these purposes, particularly for capital projects.

Altogether, our appropriation for the provincial highway system and municipal roads for next year will amount to \$175.6 million. In addition to this, the municipal share of the roads budget to which we will contribute will be about \$45 million, so that the total available expenditure for highways and municipal roads in the fiscal year 1955-56 will be \$220 million. The Provincial appropriation of \$175.6 million will be made up of \$57.1 million for maintenance and administration, \$16.0 million for repaving of King's Highways, \$101.0 million for new capital construction and \$1.5 million for mining and forestry access roads. This appropriation includes municipal subsidies of \$43.7 million, of which \$26.0 million will be for capital construction and the balance, maintenance. A

detailed list of all construction and maintenance work to be carried on by the Province during the fiscal year 1955-56 is shown in a separate statement tabled with this Budget.

Perhaps it is well to point out that our total expenditure for highways has exceeded our revenue from gasoline tax and motor vehicle licences in the past five years. This year the shortfall in revenue will be 10 per cent and next year it will, of course, be substantially higher.

PUBLIC WORKS

Mr. Speaker, whether I am speaking of highways or public works, I should like to emphasize that, owing to the accumulated backlog of need left by the war years and the exceptionally rapid rate of our population growth since then, we have not been—and are not now—under any compulsion to invent projects for the sake of creating work. Our problem continues to be one of selecting from the long list of useful, and indeed essential, projects those having the greatest urgency and highest priority.

During the current fiscal year, \$22.0 million will have been spent on new construction and extensive capital rehabilitation of buildings for the Ontario Hospitals and the Ontario Agricultural College, and on teachers' colleges, the Food Terminal at Etobicoke, conservation projects and various administration buildings, warehouses, stations and reform institutions. While some of these projects, such as the Food Terminal and various hospital buildings, have been completed, the work on others will be carried over into the 1955-56 fiscal year.

Among the major projects being so carried forward are: such buildings of the Ontario Hospital, Smiths Falls, as the Nurses' Residence, the new Administration Building, auditorium and gymnasium, which will be completed this spring at an estimated cost of \$2.1 million; the new 1,200 bed hospital at North Bay; the 1,200 bed hospital at Port Arthur; the new Treasury Building, estimated to be completed this summer and involving a total cost of \$2½ million; the provision of new bed accommodation at the Ontario Hospital, Brockville; the construction of the new administration and reception building at the Ontario Hospital, Queen Street, Toronto, at an appraised cost for the building of over \$2 million; the Osgoode Hall annex in Toronto, which will soon be completed at a total cost of about \$1.8 million; a new Teachers' College in Toronto, which will cost about \$1½ million; a new building at the Western Ontario Agricultural School; and a new seed processing laboratory building for the Ontario Agricultural College, Guelph.

To continue with these and many other projects, including the widely dispersed hospital building program, an unprecedented total of \$36 million has been placed in capital account for 1955-56. Of this amount, \$20 million will be allocated for new work. Much of it, of course, will be of a continuing nature, extending over several years, and it will, therefore, give assurance of a substantial degree of construction stability in this field.

HYDRO

The remarkable increase in the supply of low-cost hydro-electric power in the last ten years has been a key factor in the expansion of our modern industrial capacity, the electrification of our farms and the widespread use of labour-saving appliances in the home. During the first 37 years of Ontario Hydro's operations, the Commission brought into service generating capacity of a little over 1½ million h.p. In the last eleven years, generating capacity of over 3 million h.p. has been placed in service. The dependable peak capacity of Ontario Hydro's own generating plants in December, 1954, was 4,627,100 h.p. In addition to its own generation, the Commission purchased nearly 1 million h.p., so that at last December it had available for Ontario consumers a total dependable peak capacity of 5.5 million h.p.

Moreover, with the completion of projects which are now under construction, the dependable peak capacity of Ontario Hydro's own generating stations by the end of 1960 will total 6.2 million h.p., which together with the purchased power will make available to the people of Ontario at that time a supply of over 7 million h.p.

Work on the new generating station at Niagara Falls is being brought to completion. The first seven generating units, with a total dependable peak capacity of nearly 800,000 h.p., were placed in service during 1954, while the remaining five units are expected to be in service within the next few months. The generating project at Pine Portage on the Nipigon River was completed during 1954, while the construction of another plant at Manitou Falls is well under way.

The development of the St. Lawrence power project was officially begun last August. Two coffer-dams to de-water the power house site and two access tunnels under the Cornwall canal will be completed before the opening of the navigation season in 1955. Work will then commence on the power house, the first unit of which is expected to be in service in 1958.

The financing of this unprecedented expansion has been a formidable task in itself. The program up to the present time has entailed a capital investment of \$1.2 billion which has been raised very largely in the Canadian money market. To assist Hydro in obtaining favourable rates of interest, the Ontario Government has either borrowed for Hydro through the issue of its own bonds or has guaranteed the payment of interest and principal on Hydro's own direct issues. In this way, the Province has made a significant contribution to the maintenance of low-cost electric power rates in Ontario.

The Province has also paid Hydro substantial sums in order to enable it to extend its lines and equipment into the rural areas at low cost. Over the past dozen years, the electric power bonus paid by the Province has amounted to \$72 million. This year alone, it is \$8.3 million and next year it will be \$8.0 million. We are also giving our encouragement and support to Ontario Hydro's

research in nuclear power development. It is recognized that many technical problems remain to be solved and that these are costly, but the peaceful use of atomic energy is in itself an important goal and it shall be our endeavour to keep Ontario in the forefront of this development.

ASSISTANCE TO MUNICIPALITIES

The financial position of the municipalities has always received the most careful consideration and each year we have provided larger appropriations to assist them in the performance of their important responsibilities. It is estimated that in this current fiscal year, 1954-55, we will pay out to municipalities, school boards and associated bodies a total of \$144.8 million—an amount which is equivalent to 37 per cent of the Province's net ordinary expenditure and 48 per cent of last year's municipal tax levy for all purposes. In the coming fiscal year, we anticipate that these grants will rise to \$157.1 million.

Our program for next year is notable for substantial increases in grants for schools and roads and for the provision of aid for municipal civil defence organizations. Under the formula agreed upon with the Federal Government, every municipality will receive assistance to the extent of 75 per cent of its approved expenditure on civil defence.

We are anticipating that the unconditional per capita grants—the new plan introduced last year—will increase by \$800,000 to nearly \$12.5 million. Indirectly, further aid will also be extended through the granting of loans by the Ontario Municipal Improvement Corporation to those municipalities which are experiencing difficulty in obtaining capital funds at a reasonable cost for the construction of new schools.

The Honourable Members will well recall the hurricane that passed over Ontario's most densely populated area last October, bringing with it torrential rains and causing grievous loss of life and property. To relieve hardship and assist those who suffered, the Province set up two organizations: the Ontario Hurricane Relief Fund to receive and disburse voluntary contributions, and the Flood Homes and Buildings Assistance Board, appointed by the Province with the collaboration of the Federal Government to assist in the restoration of dwellings and small business establishments which were damaged by the flood. The services of various provincial departments and of Ontario Hydro were also brought into operation to rehabilitate the flooded areas and relieve hardship. The Province made arrangements and supplied funds for de-watering and dike repairs, for removing debris and providing temporary housing and food services in the Holland Marsh and Woodbridge areas. To help meet these expenses and to assist owners in the restoration of their properties and the municipalities in the acquisition of properties in the most dangerous flood areas, advances have been made in 1954-55 and an additional amount is being placed in next year's Estimates of the Department of Public Works.

In giving the House an explanation of these matters, I should be remiss if I did not use the occasion to pay tribute to the magnificent efforts of the voluntary relief organizations and countless other volunteers who assisted the victims of the flood and to the selfless generosity of many thousands of donors, private and governmental, at home and abroad, who gave to the Ontario Hurricane Relief Fund.

Over the past dozen years we have developed a comprehensive system of both conditional and unconditional grants which, if it has not forestalled increases in municipal taxes, has gone far to blunt their edge. The extent of our assistance payments to municipalities may be gauged by the fact that they are now equivalent to 48 per cent of last year's total municipal levy in the Province and that next year they will be $8\frac{1}{2}$ times the amount of assistance provided for municipalities in 1942-43. Twelve years ago, the Province paid the municipalities and school boards \$18.3 million; next year we are projecting an assistance program of \$157.1 million. On this evidence, I believe the municipalities may be assured that we will keep their financial position under review and do our best to assist them.

FEDERAL-PROVINCIAL RELATIONS

The Government of Ontario has sought to formulate its policies in such a way that, while serving the essential requirements of our people, they would contribute as fully as possible to the objectives of a high and stable level of employment and income. Thus, in undertaking the expanded public investment program that is set out in this Budget, I am fulfilling an undertaking that I have given before, namely, that if unemployment considerations dictated we would be prepared to stimulate employment by increasing the amounts in our Budget for highways and public works. It must be recognized, however, that there is a limit to what the provinces and the municipalities can do by themselves and that satisfactory results can only be achieved in partnership with the Federal Government and with the other provinces and municipalities. It was partly for this reason that Ontario looked with favour upon the unemployment proposals made by the Federal Government at the Dominion-Provincial Conference of 1945-46.

The Ontario Government at that time emphasized the need for cooperation in the maintenance of all types of development and I later stated, at the Federal-Provincial Conference of December, 1950, as I have many times since, that Ontario stood ready to cooperate fully on those proposals. Indeed, on several occasions, I have stressed the dangers involved in delaying the coordination of stabilization policies.

Another proposal at the Dominion-Provincial Conference of 1945-46 was that the Federal Government should assume complete responsibility for the relief of unemployed employable persons. Many authorities, before and since that Conference, have held the same view. The Royal Commission on Dominion-Provincial Relations, for example, stated in its report of 1941 that, "unemployment relief should be a Dominion function". Later, the Marsh Report of 1943

pointed out that aid for unemployed employables is logically a Federal matter. It has been our conviction that this matter should be on the agenda for any discussions, in formal conference or otherwise, between the Federal and Provincial Governments, and we are very glad to read of the announcement in the House of Commons by the Minister of Labour that unemployment relief for unemployed employables would be placed on the agenda if the Provinces so requested. I think I have made it clear that our response will be an emphatic "yes".

Last January 15, I received a letter from the Prime Minister of Canada dealing with the special arrangements made with Quebec under which the income tax credit allowed under Federal law was raised to 10 per cent in a province levying a personal income tax. Mr. St. Laurent advised that, under the circumstances, any province might terminate its present tax rental agreement in order to re-occupy its own tax fields. So that there will be no misunderstanding of our position on this matter, I should like to make the following statement: We entered the tax rental agreement on April 1, 1952, and it does not expire until March 31, 1957. We made this commitment for five years and we shall stick to it. I say this now for it is fair to our taxpayers that we should leave no room for uncertainty which might contribute to business instability. May I point out, however, that the 1952 agreement was predicated upon a deductibility of 5 per cent personal income tax and of 5 per cent corporation income and, therefore, a recomputation based on the deductions allowed to Quebec taxpayers of 10 per cent personal income tax and 7 per cent of corporation income presents a completely altered picture as far as this Province is concerned. The fiscal questions raised by these adjustments require very careful study and consideration. A Federal-Provincial Conference will be called this year and we will review and assess our position and play our full part in the deliberations that take place.

It should not be construed from our decision to remain a party to the tax rental agreement that we have changed our position. I have frequently referred to it as a stop-gap, pending the working out of a more reasonable solution to a difficult problem. The tax rental agreement does not give sufficient recognition to the fiscal obligations and responsibilities borne by the Province and, indeed, by the municipalities. During the coming fiscal year, 1955-56, the Federal Government's payment to the Province under the agreement is estimated at \$6 to \$7 million less than in the current year. This we cannot remedy. Accordingly, we are faced with a declining revenue at a time when the social and economic growth of our Province imposes greatly increased financial burdens on both the provincial and municipal governments with respect to education, health, welfare, highways and roads, supplies of fresh water and the control of pollution of our lakes and rivers. The Province has felt the impact of the growth not only of its own services but of those of the municipalities through the greatly stepped-up grants it is now paying. We are, however, confident that an arrangement can be produced that will be equitable and place the Province in a financial position that will enable it to deal realistically with the problems that lie ahead.

PROVINCIAL NET DEBT AND INVESTMENT IN PHYSICAL ASSETS

During the current fiscal year ending March 31, the bond financing in which the Province participated was confined to the guaranteeing of the principal and interest on three Ontario Hydro issues sold in Canada, totalling \$165 million. The Province has this year been able to finance its investment of \$96.8 million in highways, buildings and other physical assets without having to sell bonds. This is the first time in a quarter of a century that such has been the case. The Hydro issues have raised the total amount of financing for which the Province has either issued its own bonds or guaranteed Ontario Hydro bonds to \$1,816 million in the past twelve years. Of this amount, \$1,531 million, or 84.3 per cent, has been raised in Canada. By far the largest proportion of this capital borrowing—actually \$1.2 billion—was required by Hydro to finance its capital expansion. Over four-fifths of the Province's borrowing for its own purposes was for the refunding of maturing issues.

Although the Province's net debt has been increasing moderately in recent years in consequence of its extensive capital program, the total investment in physical assets that has been financed out of current revenues without recourse to the capital market has been very impressive. In the last twelve years, we have brought into service physical assets in new highways, buildings, conservation projects and rural power extensions to a value of \$547.6 million, and we have financed 66 per cent of that investment from current revenue by way of sinking fund instalments, surpluses on ordinary account and special provisions. Moreover, these additions to physical assets do not include the many schools, public general hospitals, university buildings, homes for the aged and other institutions we have helped to finance by way of grants which we have treated as ordinary expenditure. While our net capital debt increased from \$499.5 million on March 31, 1943 to \$630.0 million on March 31, 1954, on a per capita basis it dropped from \$127.76 to \$125.47—a decrease of \$2.29 per capita. It has been by practising this policy of applying every dollar of current revenue surplus to sinking funds, debt reduction or capital expenditures that we have held our net debt in check and have continued to maintain for our bonds a high reputation among the investing public, thereby facilitating borrowing at low rates of interest.

It will be noted that I have used the term, "net capital debt". This represents a change in the method of calculating both the gross and the net debt. The only difference is that income liabilities and other items not considered to be of a capital nature are excluded. The effect of the change, which has been recommended by Treasury officials, is very small. It brings our debt calculations in line with other jurisdictions, and facilitates the filing of loan information when we borrow in the United States market.

TAX CHANGES

I am glad to inform the House that, although we are undertaking a greatly expanded program, there will be no new taxes and no increases in existing taxes. In fact, to meet the special circumstances that prevail, it is proposed to reduce

the amusement tax by 20 per cent, raise the exemption on tickets to 25 cents and exempt certain live stage and concert shows in which Canadian talent is used exclusively. We also propose to amend The Security Transfer Act to exempt the debentures issued or guaranteed by municipalities from the effect of this tax.

Mr. Speaker, this is the seventh year that I have been able to announce that there will be no additional tax burdens imposed upon the people of Ontario, and in most of those years I have been able to announce some tax reductions. The provincial tax structure in Ontario is one of the lowest in Canada. Although we have the most developed system of highways in the country, our gasoline tax is 2 to 6 cents per gallon less than that in five of the other provinces and our motor vehicle licence rates are the lowest in any. Half the provinces of Canada have a general sales tax, with rates ranging up to 5 per cent of the retail price, but Ontario has no sales tax. Five provinces impose special taxes on such things as meals, cigarettes, tobacco and liquor; Ontario levies none of these taxes. In the other fields our rates are comparable with those in the rest of Canada.

Effective April 1, 1955, I am proposing a reduction in the rate of amusement tax from $12\frac{1}{2}$ per cent to 10 per cent and the adoption of the other tax relief measures I have mentioned. It is very difficult in these years for a Treasurer to reconcile himself to any reduction in revenue. On the other hand, he cannot be indifferent to the plight of the industry concerned. It will be apparent to everyone that the patronage at the motion picture theatres—particularly at the neighbourhood theatres and those in the smaller communities—as well as at certain professional sports events, has suffered acutely from the inroads of television. The benefits of this reduction should be passed on to the people in lower prices and in this way increase attendance and revenue.

The amendment to the Security Transfer Tax is designed to assist the municipalities by facilitating debenture borrowing and making more favourable the terms under which the municipalities can obtain money through the sale of debentures.

SUMMARY OF FORECAST OF REVENUE AND EXPENDITURE FOR 1955-56

During the coming fiscal year which will end on March 31, 1956, we are estimating the net ordinary expenditure at \$367,667,000 and the net ordinary revenue at \$368,532,000. We are, therefore, budgeting for a surplus on ordinary account of \$865,000.

The principal items in the Government's net ordinary expenditure are: Highways, \$73.1 million; Education, \$91.9 million; Health, \$52.0 million; and Public Welfare, \$27.8 million. The chief sources of net ordinary revenue are: the tax rental payment, \$136.1 million; gasoline tax, \$92.5 million; Liquor Control Board profits, \$38.0 million; and motor vehicle licences, \$26.7 million.

On capital account, we are providing for an unprecedented expenditure on physical assets of \$149.6 million—an increase of 54 per cent over the \$97.4 million

estimated for the current fiscal year. This amount includes \$101.0 million for King's Highways, Development Roads and Municipal Roads Subsidies, of which \$33.0 million is from the Highway Reserve Account; \$36.0 million for public buildings; \$8.0 million to Ontario Hydro for the rural electrification program; and \$4.6 million for mining and logging roads, grants to Conservation Authorities and miscellaneous projects.

CONCLUSION

Mr. Speaker, each of the coming years will bring its problems, but I am confident that they will not be unmanageable. We must, of course, expect that in a dynamic, swiftly-moving economy there will be dislocations which result in unemployment and loss of income. We cannot avoid adjustments. Our task will be to ensure that when some industries are contracting, others are expanding, so that the whole economy is kept moving forward, engaging the full human resources of our people. This, however, can never be done in a spirit of pessimism or under a policy of general contraction. That is why we have planned and are projecting into the coming fiscal year the unprecedented construction program I have outlined in this Budget. There are many strong forces in our economy that favour a continuation of our vigorous economic growth. We must adopt policies that support those forces. We can do that best by maintaining an economic environment that fosters confidence, that is friendly to new ideas, that has the capacity of adaptability, that gives incentive to industrial expansion and preserves the right of earning and retaining just rewards.

I believe that we are now on the threshold of great things. We have increased living standards by over 35 per cent in the last twelve years. We have strengthened personal and family security. There is no reason why we should not in the next dozen years surpass those achievements. But if we are to do so, we will need to observe four rules: first, we must exercise common sense and recognize that if we want more public services, we must be prepared to pay for them; secondly, we must maintain public confidence in our securities and keep our credit-standing bright and clean; thirdly, we should keep taxes as low as possible; fourthly, we must undertake the great development works that will increase the efficiency and productivity of our workers and our industry. If we follow this course, we can achieve those higher living standards and make the fruits of our progress available in an ever-widening circle.

SUMMARY AND HIGHLIGHTS

1. In the fiscal year ending March 31, 1955, the Government will realize its twelfth consecutive surplus since it took office in 1943, and it is budgeting for a surplus of \$865,000 in the fiscal year 1955-56—its thirteenth. For the fiscal year 1954-55, net ordinary expenditure, after providing \$17.5 million for sinking funds and \$38.5 million for the Highway Reserve Account, is estimated at \$388.2 million. Net ordinary revenue is estimated at \$388.9 million, leaving an interim surplus on ordinary account of \$704,000. (pp. 9, 30).

2. The Province's assistance to municipalities, school boards and other agencies in 1954-55 will total \$144.8 million, 37 per cent of its net ordinary expenditure and 48 per cent of the 1954 total municipal tax levy. Next year, 1955-56, such grants are expected to reach a total of \$157.1 million. There will be substantial increases in the Province's unconditional grants and grants for schools and roads and the provision, for the first time, of provincial aid to municipalities for civil defence organizations. (p. 26).
3. For the seventh consecutive year, there will be no increase in provincial taxes in 1955-56. Indeed, tax reductions are to be made: the amusement tax rate is being reduced by 20 per cent and the exemption on amusement tickets is being raised to 25 cents; municipal debentures are being exempted from the Security Transfer Tax. (p. 30).
4. The Province will remain within the tax rental agreement for the full period of five years. (p. 28).
5. During the coming fiscal year, 1955-56, the Province, the Ontario Hydro, the Ontario Northland Railway and the municipalities will engage in an unprecedented capital construction program amounting to well over \$700 million which will create direct and indirect employment of 375 million man hours, equivalent to a work force of over 175,000. In addition, there are multiplier effects from this expenditure, resulting in the generation of tertiary income and employment. (p. 7).
6. Combined expenditures of the Ontario Government and of municipal governments for highways and municipal roads will total \$220 million in 1955-56, \$175.6 million of this being the Ontario Government's appropriation for the planned program of expansion and improvements to the provincial highway system and its contribution to municipal roads. (p. 23).
7. The construction of roads in the northern parts of the Province to link communities will be advanced. This will also include the construction of mining and forestry access roads. (pp. 18, 23).
8. In 1955-56, the Province is allocating \$43.7 million for the payment of grants for municipal road construction and maintenance—the largest appropriation for this purpose in its history. (p. 23).
9. \$36.0 million is being appropriated for the construction of Ontario hospitals and other public buildings and capital works in 1955-56. (p. 24).
10. The various departments of the Provincial Government will spend next year, in 1955-56, an estimated \$17.7 million for conservation projects. There is a backlog of conservation projects totalling \$54.3 million. (p. 20).

11. Before the end of the current fiscal year ending March 31, 1955, the following special supplementary grants will be paid:
- \$5,300,000 for public general hospitals for the acquisition of equipment on the basis of \$200 per bed; (p. 9).
 - An additional amount of \$500,000 to St. Michael's Hospital; (p. 10).
 - An additional amount of \$200,000 to the Salvation Army Grace Hospital; (p. 10).
 - \$1,000,000 to the Ontario Cancer Treatment and Research Foundation; (p. 10).
 - \$100,000 to the Ontario Heart Foundation; (p. 10).
 - \$250,000 to make possible the vaccination against poliomyelitis of all Grade I and Grade II pupils in the Province's elementary schools; (p. 10).
 - \$1,000,000 to the University of Toronto for the expansion of its Dental Faculty, bringing this amount to \$2,000,000; (p. 10).
 - \$5,600,000 to the universities for capital construction and deferred maintenance; (p. 10).
 - \$1,000,000 to the Public Service Superannuation Fund and \$1,000,000 to the Teachers' Superannuation Fund; (p. 11).
 - \$18,000 to the Ontario Division of the Red Cross for a special project to reduce the toll from drowning. (p. 10).
12. The Province's grants to school boards in 1954-55 totalled \$65 million. In the fiscal year 1955-56, these grants will rise to \$71 million. (p. 12).
13. The Ontario Government's educational bill for 1955-56 will total \$92.4 million, \$12.3 million over last year's appropriation and more than the Government's entire ordinary budget before World War II. (p. 12).
14. Including the special grants for capital construction and deferred maintenance, payments to universities and the Royal Botanical Gardens will total \$13.0 million, as follows: (p. 12).

	Maintenance Grants \$	Special Capital and Deferred Maintenance Grants \$	Total \$
University of Toronto.....	4,700,000	1,800,000	6,500,000
University of Toronto— for extension of facilities of the Faculty of Dentistry.....	.....	1,000,000	1,000,000
for Ontario College of Education.....	470,000	.....	470,000
Queen's University.....	675,000	600,000	1,275,000
University of Western Ontario.....	675,000	600,000	1,275,000
McMaster University (Hamilton College).....	225,000	300,000	525,000
University of Ottawa— for the Faculty of Medicine.....	225,000	300,000	525,000
Carleton College.....	145,000	200,000	345,000
Assumption College— for Essex College.....	.....	200,000	200,000
Ontario College of Art.....	150,000	600,000	750,000
	<u>7,265,000</u>	<u>5,600,000</u>	<u>12,865,000</u>
Royal Botanical Gardens.....	.....	100,000	100,000
Special Grant for Archaeological Research.....	6,000	.....	6,000
	<u>7,271,000</u>	<u>5,700,000</u>	<u>12,971,000</u>

15. The expenditures of the Department of Health in 1954-55 will total \$57.7 million, of which \$21.8 million or 38 per cent will be paid to the public general hospitals. (pp. 12, 13).
16. Between 1947 and 1954, the Province had approved the payment of capital construction grants to public general hospitals for 21,621 hospital and nurses' beds and 3,103 nursery beds, involving an expenditure of \$35.6 million. (p. 13).
17. On January 31, 1955, there were 19,327 beds in Ontario Hospitals, an increase of 5,063 beds or 35 per cent since March 31, 1943. During 1955, an additional 2,120 Ontario Hospital beds will come into service. (p. 13).
18. Two new services are being incorporated in 1955-56 in the maternal and child health programs of the Department of Health, one to provide better hospital facilities for premature infants and the other to provide an extension of laboratory services to determine the RH factor and thereby reduce mortality among new-born infants. (p. 14).
19. An appropriation of \$27.8 million will be requested for the Province's 1955-56 welfare services. Mothers' allowance expenditures will be higher and an additional appropriation will be sought for Blind Persons' Allowances. Forty-seven Homes for the Aged have either been constructed or are in process of construction. (p. 14).
20. The Government's combined expenditure on education, health, and welfare in 1954-55 totals \$171.9 million, five times the \$34.6 million spent in the fiscal year 1942-43. (p. 15).
21. Nearly 43,000 dwelling units were completed in 1954, 17 per cent above the previous peak level established in 1953. The exceptionally large number under construction at the end of 1954 augurs well for a continued high level of activity throughout 1955. House building was particularly marked in the Metropolitan Toronto area. (p. 15).
22. The Ontario Telephone Development Corporation will be set up with a revolving fund of \$250,000 to acquire, construct, operate, maintain, sell, and buy and sell shares in, telephone systems in rural areas. (p. 17).
23. During fiscal year 1954-55, the Ontario Government has spent \$8.3 million to provide electric service to 19,000 new rural customers. In 1955-56, the extension of service to 30,300 customers on new and existing lines is planned. (p. 17).
24. The Junior Farmer Establishment Loan Corporation, set up in 1952 to make funds available to qualified young farmers to buy their own farms, had approved 1,098 loans involving payments of \$7.0 million up to January 31, 1955. (p. 18).
25. Ontario's farm cash income in 1954 was up \$49 million or 7 per cent above that in 1953. (p. 16).

26. The value of Ontario's mineral production in 1954 was 9 per cent higher than that in the preceding year. More than 50,000 mining claims were staked in Ontario in 1954—nearly double those in 1953, the previous all-time high level. (p. 18).
27. Financial assistance to the mining municipalities in 1955-56 will amount to \$1.5 million. (p. 18).
28. To widen the scope of forest conservation and sound management techniques, the Estimates of the Department of Lands and Forests have been increased for 1955-56 by \$740,000. The output of the pulp and paper industry again set a new record. (pp. 18, 19).
29. As part of our program of expanding Provincial Park facilities, we are providing \$150,000 to establish the Ontario-St. Lawrence Parks Commission. (p. 19).
30. The capacity of Ontario Hydro's own generating stations has increased three times since the end of the War. Hydro's December, 1954 dependable peak capacity was 4,627,100 h.p. and, with the new additions at Niagara and the St. Lawrence Power Development proceeding, Ontario's power supplies will increase to 7 million h.p. by 1960. (p. 25).
31. The total amount of Ontario Hydro financing provided by the Province either through the issue of its own bonds or by guaranteeing the Commission's bonds in the past twelve years has amounted to \$1.2 billion. (pp. 25, 29).
32. During the current fiscal year, the Province has financed its capital investment of \$96.8 million in highways, buildings and other physical assets without having had to enter the money market. (p. 29).
33. Physical assets in new highways, buildings, conservation projects and rural power extensions valued at \$547.6 million have been brought into service in the last twelve years; 66 per cent of that investment has been financed from current revenue. (p. 29).
34. Our net capital debt was \$2.29 per capita less on March 31, 1954 than on March 31, 1943, in spite of the accretion of Provincial highways, buildings and other physical assets in this period of over \$450 million. (p. 29).

APPENDIX I

GOVERNMENT STATEMENTS

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INTERIM STATEMENT OF ORDINARY REVENUE
FISCAL YEAR APRIL 1, 1954 TO MARCH 31, 1955

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,043,000	\$.....	\$ 1,043,000
ATTORNEY-GENERAL.....	4,661,000	500,000	4,161,000
EDUCATION.....	1,946,000	478,000	1,468,000
HEALTH.....	4,127,000	16,000	4,111,000
HIGHWAYS:			
Main Office.....	825,000	.....	825,000
Gasoline Tax Branch.....	90,850,000	.....	90,850,000
Motor Vehicles Branch.....	25,800,000	.....	25,800,000
Total for Highways.....	\$117,475,000	.....	\$117,475,000
INSURANCE.....	\$ 420,000	\$.....	\$ 420,000
LABOUR.....	557,000	20,000	537,000
LANDS AND FORESTS.....	18,540,000	.....	18,540,000
MINES.....	5,377,000	9,000	5,368,000
MUNICIPAL AFFAIRS.....	497,000	.....	497,000
PROVINCIAL SECRETARY.....	1,380,000	.....	1,380,000
PUBLIC WELFARE.....	3,000	.....	3,000
PUBLIC WORKS.....	117,000	3,000	114,000
REFORM INSTITUTIONS.....	2,912,000	2,326,000	586,000
TRAVEL AND PUBLICITY.....	24,000	.....	24,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Miscellaneous.....	9,000	.....	9,000
Ontario Racing Commission.....	108,000	.....	108,000
Liquor Control Board—Profits.....	45,000,000	.....	45,000,000
Transfer Fees.....	730,000	.....	730,000
Province of Ontario Savings Office.....	646,000	646,000	.....
Provincial share of Income Tax collected from privately-owned corporations operating public utilities.....	750,000	.....	750,000
Comptroller of Revenue:			
Tax Rental Agreement.....	142,747,000	.....	142,747,000
Succession Duty.....	23,000,000	.....	23,000,000
Race Tracks Tax.....	3,945,000	.....	3,945,000
Security Transfer Tax.....	1,925,000	.....	1,925,000
Hospitals Tax.....	6,400,000	.....	6,400,000
Logging Tax.....	750,000	.....	750,000
Land Transfer Tax.....	2,800,000	.....	2,800,000
Law Stamps.....	1,025,000	.....	1,025,000
Theatres Branch.....	314,000	.....	314,000
Total for Treasury.....	\$233,861,000	\$ 646,000	\$233,215,000
	\$392,940,000	\$ 3,998,000	\$388,942,000
PUBLIC DEBT.....	14,977,000	14,977,000	.....
	<u>\$407,917,000</u>	<u>\$18,975,000</u>	<u>\$388,942,000</u>

INTERIM STATEMENT OF ORDINARY EXPENDITURE

FISCAL YEAR APRIL 1, 1954 TO MARCH 31, 1955

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 9,100,000	\$.....	\$ 9,100,000
ATTORNEY-GENERAL.....	12,880,000	500,000	12,380,000
EDUCATION.....	88,757,000	478,000	88,279,000
HEALTH.....	57,692,000	16,000	57,676,000
HIGHWAYS.....	96,608,000	.....	96,608,000
INSURANCE.....	228,000	.....	228,000
LABOUR.....	1,821,000	20,000	1,801,000
LANDS AND FORESTS.....	12,760,000	.....	12,760,000
LIEUTENANT-GOVERNOR.....	18,000	.....	18,000
MINES.....	1,185,000	9,000	1,176,000
MUNICIPAL AFFAIRS.....	14,919,000	.....	14,919,000
PLANNING AND DEVELOPMENT.....	1,683,000	.....	1,683,000
PRIME MINISTER.....	116,000	.....	116,000
PROVINCIAL AUDITOR.....	284,000	.....	284,000
PROVINCIAL SECRETARY.....	1,481,000	.....	1,481,000
PUBLIC WELFARE.....	25,975,000	.....	25,975,000
PUBLIC WORKS.....	7,785,000	3,000	7,782,000
REFORM INSTITUTIONS.....	8,634,000	2,326,000	6,308,000
TRAVEL AND PUBLICITY.....	885,000	.....	885,000
TREASURY.....	6,148,000	646,000	5,502,000
STATIONERY ACCOUNT.....	35,000	.....	35,000
	<u>\$348,994,000</u>	<u>\$ 3,998,000</u>	<u>\$344,996,000</u>
PUBLIC DEBT—Interest, etc.....	40,683,000	14,977,000	25,706,000
	<u>\$389,677,000</u>	<u>\$18,975,000</u>	<u>\$370,702,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,536,000	.....	17,536,000
	<u>\$407,213,000</u>	<u>\$18,975,000</u>	<u>\$388,238,000</u>

SUMMARY

ORDINARY REVENUE AND ORDINARY EXPENDITURE

FISCAL YEAR APRIL 1, 1954 TO MARCH 31, 1955

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

Net Ordinary Revenue.....	\$388,942,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds).....	370,702,000
Balance (before providing for Sinking Funds).....	\$ 18,240,000
Less: Provision for Sinking Funds.....	17,536,000
Interim Surplus.....	<u>\$ 704,000</u>

INTERIM STATEMENT OF CAPITAL RECEIPTS
FISCAL YEAR APRIL 1, 1954 TO MARCH 31, 1955

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

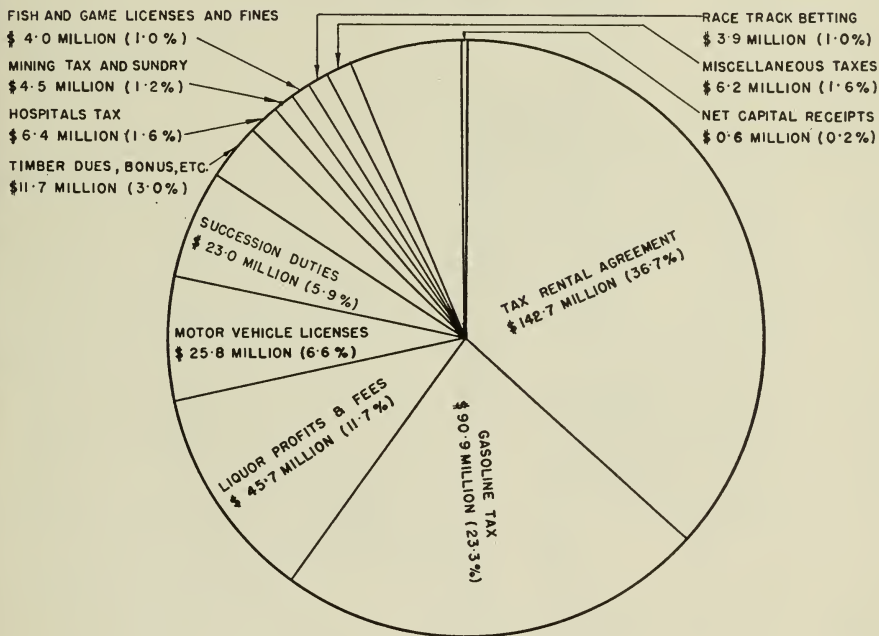
DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HEALTH.....	\$ 50,000	\$.....	\$ 50,000
HIGHWAYS.....	1,925,000	.....	1,925,000
LABOUR.....	10,200,000	.....	10,200,000
LANDS AND FORESTS.....	365,000	.....	365,000
MINES.....	90,000	.....	90,000
PLANNING AND DEVELOPMENT.....	335,000	.....	335,000
PROVINCIAL SECRETARY.....	8,615,000	.....	8,615,000
PUBLIC WELFARE.....	5,950,000	5,950,000	.....
PUBLIC WORKS.....	22,000	.....	22,000
TREASURY.....	60,810,000	.....	60,810,000
	<u>\$88,362,000</u>	<u>\$5,950,000</u>	<u>\$82,412,000</u>

INTERIM STATEMENT OF CAPITAL PAYMENTS
FISCAL YEAR APRIL 1, 1954 TO MARCH 31, 1955

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 8,450,000	\$.....	\$ 8,450,000
HIGHWAYS.....	36,290,000	.....	36,290,000
Highways Reserve Account.....	30,500,000	.....	30,500,000
LABOUR.....	10,760,000	.....	10,760,000
LANDS AND FORESTS.....	140,000	.....	140,000
MINES.....	565,000	.....	565,000
PLANNING AND DEVELOPMENT.....	1,803,000	.....	1,803,000
PROVINCIAL SECRETARY.....	2,655,000	.....	2,655,000
PUBLIC WELFARE.....	5,950,000	5,950,000	.....
PUBLIC WORKS.....	23,385,000	.....	23,385,000
TREASURY.....	899,000	.....	899,000
MISCELLANEOUS.....	100,000	.....	100,000
	<u>\$121,497,000</u>	<u>\$5,950,000</u>	<u>\$115,547,000</u>

PROVINCE OF ONTARIO NET ORDINARY AND NET CAPITAL REVENUES 1954 - 1955 *



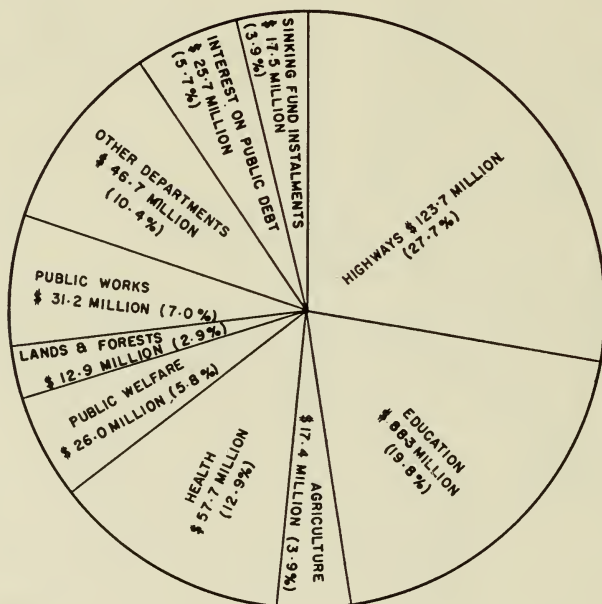
SOURCES OF NET ORDINARY AND NET CAPITAL REVENUES

SOURCE	AMOUNT Millions of Dollars	PERCENTAGE OF TOTAL NET ORDINARY & NET CAPITAL REVENUES
<u>NET ORDINARY REVENUE</u>		
GASOLINE TAX	90.9	23.3
SUCCESSION DUTIES	23.0	5.9
HOSPITALS TAX	6.4	1.6
MINING TAX AND SUNDRY	4.5	1.2
RACE TRACK BETTING	3.9	1.0
MISCELLANEOUS TAXES	6.2	1.6
SUB TOTAL	134.9	34.6
TAX RENTAL AGREEMENT	142.7	36.7
LIQUOR PROFITS AND FEES	45.7	11.7
MOTOR VEHICLE LICENSES	25.8	6.6
TIMBER DUES, BONUS, ETC.	11.7	3.0
FISH AND GAME LICENSES AND FINES	4.0	1.0
OTHER REVENUE (FEES, RENTALS ETC.)	24.1	6.2
TOTAL NET ORDINARY REVENUE	388.9	99.8
<u>NET CAPITAL RECEIPTS</u> **	0.6	0.2
GRAND TOTAL	389.5	100.0

* INTERIM BASED ON 10 MONTHS' ACTUAL AND 2 MONTHS' ESTIMATED REVENUES

** EXCLUDES LOANS & ADVANCES, SPECIAL FUNDS DEPOSITS, DEFERRED ASSETS, SURPLUS RECEIPTS AND RESERVES.

**PROVINCE OF ONTARIO
COMBINED NET ORDINARY
AND NET CAPITAL EXPENDITURES
FISCAL YEAR 1954-55 ***



**NET ORDINARY AND NET CAPITAL EXPENDITURES
BY DEPARTMENTS
(MILLIONS OF DOLLARS)**

DEPARTMENT	NET ORDINARY EXPENDITURES	CAPITAL EXPENDITURES ON PHYSICAL ASSETS	COMBINED NET ORDINARY AND CAPITAL EXPENDITURES	PERCENTAGE OF TOTAL Combined Net Ordinary and Capital Expenditures
HIGHWAYS	58.1 ⁽¹⁾	65.6 ⁽²⁾	123.7	27.7
EDUCATION	88.3	—	88.3	19.8
AGRICULTURE (incl. O.A.C. & QVC)	9.1	8.3	17.4	3.9
HEALTH	57.7	—	57.7	12.9
PUBLIC WELFARE	26.0	—	26.0	5.8
LANDS AND FORESTS	12.8	0.1	12.9	2.9
PUBLIC WORKS	7.8	23.4	31.2	7.0
OTHER DEPARTMENTS	46.7	—	46.7	10.4
INTEREST ON PUBLIC DEBT	25.7	—	25.7	5.7
SINKING FUND INSTALMENTS	17.5	—	17.5	3.9
TOTAL	349.7	97.4⁽²⁾	447.1	100.0

(1) Excludes \$38.5 million set aside in the Highway Reserve Account.

(2) Includes \$30.5 million expended from the Highway Reserve Account, and \$0.6 million for Mining Roads.

* INTERIM — Based on 10 months' actual and 2 months' estimated expenditures.

BUDGET FORECAST OF ORDINARY REVENUE
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,018,000	\$.....	\$ 1,018,000
ATTORNEY-GENERAL.....	4,707,000	608,000	4,099,000
EDUCATION.....	1,787,000	500,000	1,287,000
HEALTH.....	5,003,000	516,000	4,487,000
HIGHWAYS:			
Main Office.....	300,000	.....	300,000
Motor Vehicles Branch.....	26,700,000	.....	26,700,000
Total for Highways.....	<u>\$ 27,000,000</u>	<u>\$.....</u>	<u>\$ 27,000,000</u>
INSURANCE.....	\$ 354,000	\$.....	\$ 354,000
LABOUR.....	599,000	20,000	579,000
LANDS AND FORESTS.....	18,634,000	.....	18,634,000
MINES.....	5,322,000	17,000	5,305,000
MUNICIPAL AFFAIRS.....	462,000	.....	462,000
PROVINCIAL SECRETARY.....	1,234,000	.....	1,234,000
PUBLIC WORKS.....	100,000	3,000	97,000
REFORM INSTITUTIONS.....	3,138,000	2,537,000	601,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	104,000	.....	104,000
Liquor Control Board—Profits.....	38,000,000	.....	38,000,000
Transfer Fees.....	700,000	.....	700,000
Province of Ontario Savings Office.....	665,000	665,000	.....
Provincial share of taxes collected from privately-owned corporations operating public utilities.....	470,000	.....	470,000
Comptroller of Revenue:			
Tax Rental Agreement.....	136,100,000	.....	136,100,000
Gasoline Tax.....	92,500,000	.....	92,500,000
Hospitals Tax.....	5,000,000	.....	5,000,000
Succession Duty.....	18,000,000	.....	18,000,000
Race Tracks Tax.....	3,500,000	.....	3,500,000
Security Transfer Tax.....	1,500,000	.....	1,500,000
Land Transfer Tax.....	2,000,000	.....	2,000,000
Law Stamps.....	900,000	.....	900,000
Logging Tax.....	600,000	.....	600,000
Theatres Branch.....	263,000	.....	263,000
Total for Treasury.....	<u>\$304,014,000</u>	<u>\$ 665,000</u>	<u>\$303,349,000</u>
	<u>\$373,398,000</u>	<u>\$ 4,866,000</u>	<u>\$368,532,000</u>
PUBLIC DEBT—Interest, etc.....	12,499,000	12,499,000	.....
	<u>\$385,897,000</u>	<u>\$17,365,000</u>	<u>\$368,532,000</u>

BUDGET FORECAST OF ORDINARY EXPENDITURE

FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 9,710,000	\$.....	\$ 9,710,000
ATTORNEY-GENERAL.....	13,672,000	608,000	13,064,000
EDUCATION.....	92,368,000	500,000	91,868,000
HEALTH.....	52,532,000	516,000	52,016,000
HIGHWAYS.....	73,120,000	.....	73,120,000
INSURANCE.....	239,000	.....	239,000
LABOUR.....	1,881,000	20,000	1,861,000
LANDS AND FORESTS.....	13,500,000	.....	13,500,000
LIEUTENANT-GOVERNOR.....	20,000	.....	20,000
MINES.....	1,215,000	17,000	1,198,000
MUNICIPAL AFFAIRS.....	16,035,000	.....	16,035,000
PLANNING AND DEVELOPMENT.....	2,213,000	.....	2,213,000
PRIME MINISTER.....	117,000	.....	117,000
PROVINCIAL AUDITOR.....	350,000	.....	350,000
PROVINCIAL SECRETARY.....	1,598,000	.....	1,598,000
PUBLIC WELFARE.....	27,766,000	.....	27,766,000
PUBLIC WORKS.....	6,330,000	3,000	6,327,000
REFORM INSTITUTIONS.....	9,337,000	2,537,000	6,800,000
TRAVEL AND PUBLICITY.....	915,000	.....	915,000
TREASURY.....	5,725,000	665,000	5,060,000
	<u>\$328,643,000</u>	<u>\$ 4,866,000</u>	<u>\$323,777,000</u>
PUBLIC DEBT—Interest, etc.....	38,759,000	12,499,000	26,260,000
	<u>\$367,402,000</u>	<u>\$17,365,000</u>	<u>\$350,037,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,630,000	.....	17,630,000
	<u>\$385,032,000</u>	<u>\$17,365,000</u>	<u>\$367,667,000</u>

SUMMARY

BUDGET FORECAST

FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956

Net Ordinary Revenue.....	\$368,532,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds)....	350,037,000
Balance (before providing for Sinking Funds).....	\$18,495,000
Less: Provision for Sinking Funds.....	17,630,000
Interim Surplus.....	<u>\$ 865,000</u>

BUDGET FORECAST OF CAPITAL RECEIPTS
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 2,205,000	\$.....	\$ 2,205,000
LABOUR.....	10,800,000	.....	10,800,000
LANDS AND FORESTS.....	358,000	.....	358,000
MINES.....	65,000	.....	65,000
PLANNING AND DEVELOPMENT.....	626,000	.....	626,000
PROVINCIAL SECRETARY.....	7,713,000	.....	7,713,000
PUBLIC WELFARE.....	7,733,000	7,733,000	.....
TREASURY.....	25,175,000	.....	25,175,000
	<u>\$54,675,000</u>	<u>\$7,733,000</u>	<u>\$46,942,000</u>

BUDGET FORECAST OF CAPITAL PAYMENTS
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 8,500,000	\$.....	\$ 8,500,000
HIGHWAYS.....	70,435,000	.....	70,435,000
Highways Reserve Account.....	33,000,000	.....	33,000,000
LABOUR.....	10,800,000	.....	10,800,000
LANDS AND FORESTS.....	533,000	.....	533,000
MINES.....	1,000,000	.....	1,000,000
PLANNING AND DEVELOPMENT.....	8,842,000	.....	8,842,000
PROVINCIAL SECRETARY.....	2,800,000	.....	2,800,000
PUBLIC WELFARE.....	7,733,000	7,733,000	.....
PUBLIC WORKS.....	36,775,000	.....	36,775,000
TREASURY.....	3,569,000	.....	3,569,000
	<u>\$183,987,000</u>	<u>\$7,733,000</u>	<u>\$176,254,000</u>

**ESTIMATED INCREASE IN THE GROSS CAPITAL DEBT
FOR THE FISCAL YEAR ENDING MARCH 31, 1955**

Estimated Gross Capital Debt as at March 31, 1955.....	\$1,053,055,041.18
Gross Capital Debt as at March 31, 1954.....	1,035,484,084.57

Estimated Increase in Gross Capital Debt.....	<u>\$ 17,570,956.61</u>
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GROSS CAPITAL DEBT INCREASED BY:

Capital Disbursements—

Disbursements on Highways, Public Buildings, Works, etc.....	\$66,880,000.00
Less: Capital Receipts.....	627,000.00

\$66,253,000.00

Increase in Tile Drainage Loans (net).....	242,000.00
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Increase in the Ontario Junior Farmer Establishment Loan Corporation—Investments.....	2,969,000.00
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Increase in the Ontario Municipal Improvement Corpora- tion—Investments.....	695,000.00
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Increase in Advances under the Housing Development Act	1,418,000.00
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\$ 71,577,000.00

GROSS CAPITAL DEBT DECREASED BY:

Sinking Fund Provision charged to Ordinary Expenditure	\$17,536,000.00
Estimated Surplus on Ordinary Account.....	704,000.00

\$18,240,000.00

Discount on Debentures, written off.....	698,000.00
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Payments of Loans Receivable—

The Hydro-Electric Power Commis- sion of Ontario.....	\$1,856,000.00
Agricultural Development Board....	1,000,000.00
Miscellaneous.....	114,900.00

2,970,900.00

Decrease in Cash on Hand and in Banks.....	30,286,643.39
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Decrease in Housing Corporation Limited—Investments	1,603,000.00
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Increase in Reserves (net).....	207,500.00
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54,006,043.39

Estimated Increase in Gross Capital Debt.....	<u>\$ 17,570,956.61</u>
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**ESTIMATED INCREASE IN THE NET CAPITAL DEBT
FOR THE FISCAL YEAR ENDING MARCH 31, 1955**

Estimated as at March 31, 1955:

Estimated Gross Capital Debt.....	\$1,053,055,041.18
Less: Estimated Revenue-Producing and Realizable Assets.....	375,957,799.66

Estimated Net Capital Debt.....	\$677,097,241.52
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As at March 31, 1954:

Gross Capital Debt.....	\$1,035,484,084.57
Less: Revenue-Producing and Realizable Assets.....	405,488,443.05

Net Capital Debt.....	629,995,641.52
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Estimated Increase in Net Capital Debt.....	<u>\$ 47,101,600.00</u>
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NET CAPITAL DEBT INCREASED BY:

Capital Disbursements on Highways, Public Buildings, Works, etc.....	\$ 66,880,000.00
Less: Capital Receipts.....	627,000.00
	<u>\$ 66,253,000.00</u>

NET CAPITAL DEBT DECREASED BY:

Sinking Fund Instalments charged to Ordinary Expendi- ture.....	\$ 17,536,000.00
Surplus on Ordinary Account.....	704,000.00
	<u>\$ 18,240,000.00</u>
Discount on Debentures, written off.....	698,000.00
Increase in Reserves.....	207,500.00
Miscellaneous Decreases.....	5,900.00
	<u>19,151,400.00</u>

Estimated Increase in Net Capital Debt.....	<u>\$ 47,101,600.00</u>
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PROVINCE OF ONTARIO NET DEBT AND PER CAPITA NET DEBT * MARCH 31, 1943 TO MARCH 31, 1954

NET DEBT IN MILLIONS OF DOLLARS
PER CAPITA NET DEBT IN DOLLARS



* Figures shown are for Net Capital Debt and Per Capita Net Capital Debt and differ slightly from those shown in previous years. The per capita amounts have been calculated by using Ontario's population estimates as at March 31, to coincide with Net Debt at the Province's Fiscal Year end.

**ESTIMATED DECREASE IN THE FUNDED DEBT
FOR THE FISCAL YEAR ENDING MARCH 31, 1955**

As at March 31, 1954 (after deducting Sinking Funds).....	\$852,337,500.00
Estimated as at March 31, 1955 (after deducting Sinking Funds).....	838,101,500.00
Estimated Decrease in Funded Debt.....	<u>\$ 14,236,000.00</u>

FUNDED DEBT DECREASED BY:

Redemption of Debentures:		
On Maturity.....	\$31,012,000.00	
Prior to Maturity.....	6,100,000.00	
		<u>\$ 37,112,000.00</u>

FUNDED DEBT INCREASED BY:

Debentures Issued:		
Series "TI"—4½%, due November 1, 1962*.....	\$ 3,300,000.00	
Debentures retired from Sinking Funds	\$37,112,000.00	
Less: Provision for Sinking Funds	17,536,000.00	
	<u>19,576,000.00</u>	
		<u>22,876,000.00</u>

Estimated Decrease in Funded Debt.....	<u>\$14,236,000.00</u>
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*Issued under The Teachers' Superannuation Act.

**ESTIMATED INCREASE IN CONTINGENT LIABILITIES
FOR THE FISCAL YEAR ENDING MARCH 31, 1955**

Estimated as at March 31, 1955.....	\$945,121,048.91
As at March 31, 1954.....	784,951,048.91
Estimated Increase in Contingent Liabilities.....	<u>\$160,170,000.00</u>

CONTINGENT LIABILITIES INCREASED BY:

New guarantees or increases in existing guarantees during the fiscal year ending March 31, 1955—		
Hydro-Electric Power Commission of Ontario.....	\$165,000,000.00	
Ontario Food Terminal Board.....	2,244,000.00	
Co-operative Associations.....	323,000.00	
		<u>\$167,567,000.00</u>

CONTINGENT LIABILITIES DECREASED BY:

Principal Maturities redeemed or to be redeemed, including redemptions prior to maturity, during the fiscal year ending March 31, 1955—		
Hydro-Electric Power Commission of Ontario.....	\$ 5,000,000.00	
Ontario Northland Transportation Commission...	1,200,000.00	
Ontario Stock Yards Board.....	600,000.00	
Niagara Parks Commission.....	400,000.00	
Co-operative Associations.....	101,000.00	
Schools.....	47,000.00	
Universities.....	47,000.00	
Municipalities.....	2,000.00	
		<u>7,397,000.00</u>

Estimated Increase in Contingent Liabilities.....	<u>\$160,170,000.00</u>
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PROVINCE'S INVESTMENT IN PHYSICAL ASSETS AND HUMAN BETTERMENT

PHYSICAL ASSETS





	Estimated 1954-55 \$	Estimated Twelve Year Total 1943-44 to 1954-55 \$
Highways.....	65,455,000*	388,880,413*
Provincial Lands and Buildings.....	21,978,000	80,393,625
Rural Power Lines.....	8,300,000	72,123,612
Miscellaneous.....	1,020,000	6,162,818
	<u>96,753,000*</u>	<u>547,560,468*</u>

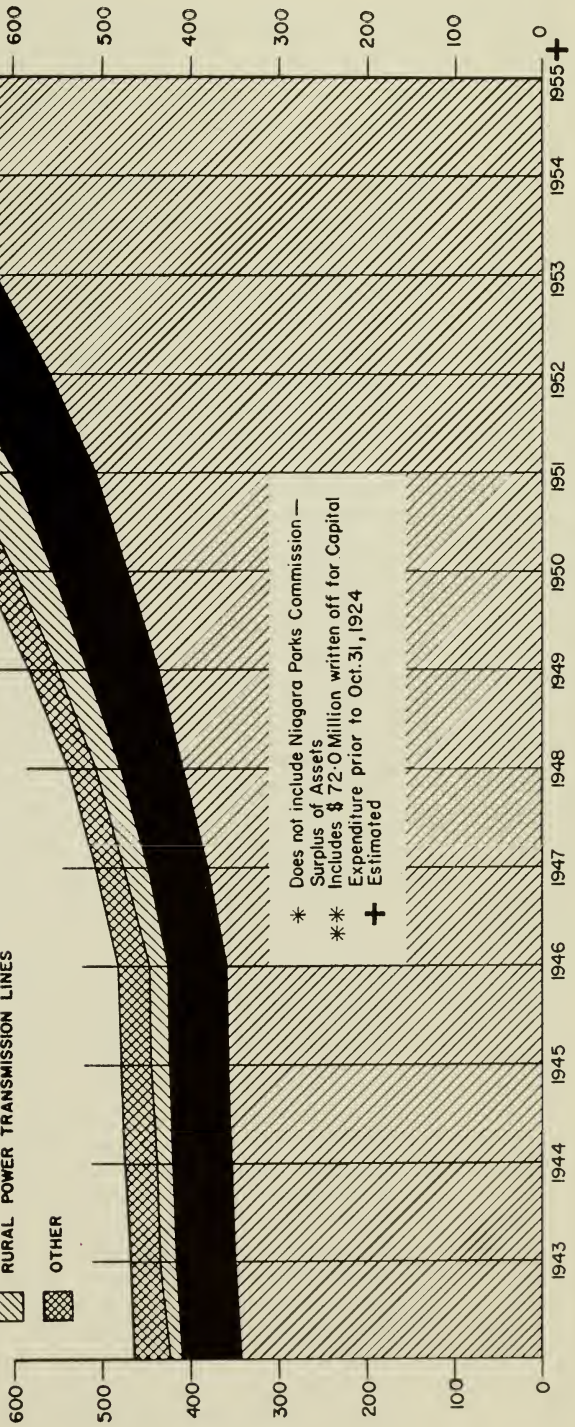
HUMAN BETTERMENT

	Estimated 1954-55 \$	Estimated Twelve Year Total 1943-44 to 1954-55 \$
Education.....	88,279,000	612,000,521
Health.....	57,676,000	359,263,104
Public Welfare.....	25,975,000	216,535,562
	<u>171,930,000</u>	<u>1,187,799,187</u>

*Including expenditure from Highway Reserve Account.

PROVINCE OF ONTARIO
CUMULATIVE INVESTMENT IN PHYSICAL ASSETS *
 FISCAL YEARS ENDING MARCH 31, 1943-1955
 (IN MILLIONS OF DOLLARS)

-  HIGHWAY - CAPITAL CONSTRUCTION **
-  PROVINCIAL LANDS AND BUILDINGS
-  RURAL POWER TRANSMISSION LINES
-  OTHER



* Does not include Niagara Parks Commission -
 Surplus of Assets
 ** Includes \$ 72.0 Million written off for Capital
 Expenditure prior to Oct. 31, 1924
 + Estimated

SPECIAL GRANTS TO HOSPITALS

This year the Government is again providing hospitals with additional grants. The grant to each hospital will amount to \$200 for each recognized bed in service as of December 31, 1954, and will be for the purpose of assisting with the procurement of special equipment and facilities. Interim calculations for a number of the hospitals follow:

	HOSPITAL	No. of Beds	Amount
Ajax	Ajax and Pickering General Hospital.....	33	\$ 6,600
Alliston	Stevenson Memorial Hospital.....	32	6,400
Almonte	Rosamond Memorial Hospital.....	15	3,000
Apsley	Red Cross Outpost Hospital.....	5	1,000
Arnprior	Arnprior and District Memorial Hospital....	38	7,600
Atikokan	Atikokan General Hospital.....	28	5,600
Bancroft	Red Cross Outpost Hospital.....	22	4,400
Barrie	Royal Victoria Hospital of Barrie.....	134	26,800
Beardmore	Red Cross Outpost Hospital.....	7	1,400
Belleville	Belleville General Hospital.....	139	27,800
Blind River	St. Joseph's General Hospital.....	23	4,600
Bowmanville	Bowmanville Hospital.....	53	10,600
Bracebridge	Bracebridge Memorial Hospital.....	35	7,000
Brampton	Peel Memorial Hospital.....	75	15,000
Brantford	Brantford General Hospital.....	333	66,600
Brockville	Brockville General Hospital.....	177	35,400
Brockville	St. Vincent de Paul Hospital.....	79	15,800
Burk's Falls	Burk's Falls and District Red Cross Hospital	22	4,400
Burlington	Children's Convalescent Hospital.....	41	8,200
Campbellford	Campbellford Memorial Hospital.....	63	12,600
Chapleau	Lady Minto Hospital.....	27	5,400
Chatham	Public General Hospital.....	155	31,000
Chatham	St. Joseph's Hospital.....	119	23,800
Chesley	The Chesley and District Memorial Hospital	19	3,800
Clinton	Clinton Public Hospital.....	36	7,200
Cobourg	Cobourg General Hospital.....	38	7,600
Cobourg	Illahee Lodge.....	52	10,400
Cochrane	Lady Minto Hospital.....	47	9,400
Collingwood	Blue Mountain Camp Hospital.....	66	13,200
Collingwood	General and Marine Hospital.....	65	13,000
Cochenour	Margaret Cochenour Memorial Hospital....	13	2,600
Cornwall	Cornwall General Hospital.....	146	29,200
Cornwall	Hotel Dieu Hospital.....	134	26,800
Dryden	Dryden District General Hospital.....	22	4,400
Dunnville	Haldimand War Memorial Hospital.....	41	8,200
Durham	Durham Memorial Hospital.....	16	3,200
Emo	Red Cross Outpost Hospital.....	17	3,400
Englehart	Red Cross Outpost Hospital.....	29	5,800
Espanola	Espanola General Hospital.....	33	6,600
Exeter	South Huron and District Memorial Hospital	36	7,200
Fergus	Groves Memorial Hospital.....	26	5,200
Fort Erie	Douglas Memorial Hospital.....	64	12,800
Fort Frances	LaVerendrye Hospital.....	100	20,000
Fort William	McKellar General Hospital.....	406	81,200
Galt	South Waterloo Memorial Hospital.....	169	33,800

	HOSPITAL	No. of Beds	Amount
Geraldton	Little Long Lac Hospital	23	\$ 4,600
Goderich	Alexandra Marine and General Hospital	58	11,600
Grimsby	West Lincoln Memorial Hospital	38	7,600
Guelph	Guelph General Hospital	175	35,000
Guelph	St. Joseph's Hospital	168	33,600
Haileybury	Misericordia Hospital	78	15,600
Haliburton	Red Cross Outpost Hospital	9	1,800
Hamilton	Hamilton General Hospital	1,024	204,800
Hamilton	Nora Frances Henderson Hospital	322	64,400
Hamilton	St. Joseph's Hospital	479	95,800
Hamilton	St. Peter's Infirmary	211	42,200
Hanover	Hanover Memorial Hospital	12	2,400
Hawkesbury	Notre-Dame Hospital	15	3,000
Hawk Junct.	Red Cross Outpost Hospital	9	1,800
Hearst	Notre-Dame Hospital	56	11,200
Hornepayne	Red Cross Outpost Hospital	6	1,200
Huntsville	Huntsville District Memorial Hospital	26	5,200
Ingersoll	Alexandra Hospital	56	11,200
Iroquois Falls	Anson General Hospital	30	6,000
Kenora	Kenora General Hospital	59	11,800
Kenora	St. Joseph's Hospital	49	9,800
Komoka	Woodeden Convalescent Hospital	82	16,400
Kincardine	Kincardine General Hospital	32	6,400
Kingston	Hotel Dieu Hospital	288	57,600
Kingston	Kingston General Hospital	470	94,000
Kingston	St. Mary's-of-the-Lake Hospital	103	20,600
Kirkland Lake	Kirkland and District Hospital	103	20,600
Kitchener	St. Mary's Hospital	121	24,200
Kitchener	Kitchener-Waterloo Hospital	439	87,800
Leamington	Leamington and District Memorial Hospital	51	10,200
Lindsay	The Ross Memorial Hospital	60	12,000
Lion's Head	Red Cross Outpost Hospital	5	1,000
Listowel	Memorial Hospital	38	7,600
Little Current	St. Joseph's General Hospital	48	9,600
London	Parkwood Hospital for Incurables	185	37,000
London	St. Joseph's Hospital	414	82,800
London	St. Mary's Hospital	215	43,000
London	Victoria Hospital	847	169,400
Markdale	Centre Grey General Hospital	24	4,800
Matheson	Bingham Memorial Hospital	29	5,800
Mattawa	Mattawa General Hospital	30	6,000
Meaford	Meaford General Hospital	29	5,800
Midland	St. Andrew's Hospital	42	8,400
Mindemoya	Red Cross Outpost Hospital	16	3,200
Mount Forest	Louise Marshall Hospital	20	4,000
Nakina	Red Cross Outpost Hospital	7	1,400
New Liskeard	New Liskeard and District Hospital	40	8,000
Newmarket	The York County Hospital	55	11,000
Newtonbrook	St. John's Convalescent Hospital	186	37,200
Niagara Falls	The Greater Niagara General Hospital	179	35,800
Niagara	Niagara Cottage Hospital	27	5,400
Nipigon	Red Cross Outpost Hospital	22	4,400

HOSPITAL		No. of Beds	Amount
North Bay	Civic Hospital	101	\$ 20,200
North Bay	St. Joseph's Hospital	116	23,200
Oakville	Oakville-Trafalgar Memorial Hospital	56	11,200
Orangeville	Dufferin Area Hospital	84	16,800
Orillia	Orillia Soldiers' Memorial Hospital	112	22,400
Oshawa	Oshawa General Hospital	197	39,400
Ottawa	Ottawa Civic Hospital	760	152,000
Ottawa	Ottawa General Hospital	614	122,800
Ottawa	The Perley Home for Incurables	127	25,400
Ottawa	Hospital St. Louis Marie de Montfort	245	49,000
Ottawa	St. Vincent Hospital for Incurables	523	104,600
Ottawa	Salvation Army Grace Hospital	77	15,400
Owen Sound	General and Marine Hospital	102	20,400
Palmerston	Palmerston General Hospital	21	4,200
Paris	The Willett Hospital	57	11,400
Parry Sound	The Parry Sound General Hospital	77	15,400
Parry Sound	St. Joseph's Hospital	59	11,800
Pembroke	General Hospital	154	30,800
Pembroke	Pembroke Cottage Hospital	105	21,000
Penetanguishene	General Hospital	63	12,600
Perth	The Great War Memorial Hospital of Perth District	49	9,800
Perth	Merrywood-on-the-Rideau Hospital	62	12,400
Peterborough	St. Joseph's Hospital	180	36,000
Peterborough	The Peterborough Civic Hospital	226	45,200
Petrolia	Charlotte Eleanor Englehart Hospital	40	8,000
Picton	Prince Edward County Hospital	27	5,400
Port Arthur	St. Joseph's General Hospital	186	37,200
Port Arthur	The General Hospital of Port Arthur	257	51,400
Port Colborne	Port Colborne General Hospital	100	20,000
Port Hope	The Port Hope General Hospital	46	9,200
Port Loring	Red Cross Outpost Hospital	5	1,000
Port Perry	Port Perry Community Hospital	27	5,400
Rainy River	Red Cross Outpost Hospital	14	2,800
Red Lake	Red Cross Outpost Hospital	16	3,200
Renfrew	Victoria Hospital	106	21,200
Richards Landing	Red Cross Outpost Hospital	11	2,200
St. Catharines	Hotel Dieu Hospital	135	27,000
St. Catharines	The St. Catharines General Hospital	367	73,400
St. Marys	St. Marys Memorial Hospital	33	6,600
St. Thomas	St. Thomas Elgin General Hospital	299	59,800
Sarnia	Sarnia General Hospital	257	51,400
Sarnia	St. Joseph's Hospital	148	29,600
Sault Ste. Marie	Plummer Memorial Public Hospital	135	27,000
Sault Ste. Marie	The General Hospital	160	32,000
Seaforth	Scott Memorial Hospital	39	7,800
Sesekinika	Northwood Convalescent Hospital	42	8,400
Simcoe	Norfolk General Hospital	104	20,800
Sioux Lookout	Sioux Lookout General Hospital	53	10,600

	HOSPITAL	No. of Beds	Amount
Smiths Falls	St. Francis General Hospital.....	63	\$ 12,600
Smiths Falls	Smiths Falls Public Hospital.....	60	12,000
Smooth Rock Falls	Smooth Rock Falls General Hospital.....	19	3,800
Southampton South	Saugeen Memorial Hospital.....	19	3,800
Porcupine	Porcupine General Hospital.....	22	4,400
Stratford	Stratford General Hospital.....	186	37,200
Strathroy	The General Hospital.....	50	10,000
Sturgeon Falls	St. Jean de Brebeuf Hospital.....	89	17,800
Sudbury	St. Joseph's Hospital.....	173	34,600
Sudbury	Sudbury General Hospital.....	305	61,000
Thessalon	Red Cross Outpost Hospital.....	14	2,800
Tillsonburg	Tillsonburg District Memorial Hospital.....	100	20,000
Timmins	St. Mary's Hospital.....	103	20,600
Toronto	Canadian Mothercraft Hospital.....	27	5,400
Toronto	Hillcrest Convalescent Hospital.....	34	6,800
Toronto	Lockwood Clinic.....	48	9,600
Toronto	Our Lady of Mercy Hospital.....	268	53,600
Toronto	St. Joseph's Hospital.....	485	97,000
Toronto	St. Michael's Hospital.....	802	160,400
Toronto	Lyndhurst Lodge.....	34	6,800
Toronto	The Salvation Army Grace Hospital.....	55	11,000
Toronto	The Home for Incurable Children.....	40	8,000
Toronto	The Hospital for Sick Children.....	762	152,400
Toronto	The New Mount Sinai Hospital.....	362	72,400
Toronto	The Queen Elizabeth Hospital for Incurables	519	103,800
Toronto	Baycrest Hospital.....	86	17,200
Toronto	The Runnymede Hospital.....	114	22,800
Toronto	Toronto East General and Orthopaedic Hospital.....	368	73,600
Toronto	Northwestern General Hospital.....	104	20,800
Toronto	Toronto General Hospital.....	1,393	278,600
Toronto	Toronto Western Hospital.....	697	139,400
Toronto	Women's College Hospital.....	142	28,400
Trenton	Trenton Memorial Hospital.....	68	13,600
Wainfleet	Lakewood Convalescent Hospital.....	66	13,200
Walkerton	County of Bruce General Hospital.....	34	6,800
Welland	Welland County General Hospital.....	123	24,600
Weston	Humber Memorial Hospital.....	54	10,800
Whitney	Red Cross Outpost Hospital.....	4	800
Wiarton	Bruce Peninsula and District Memorial Hospital.....	21	4,200
Wilberforce	Red Cross Outpost Hospital.....	2	400
Winchester	Winchester and District Memorial Hospital.	34	6,800
Windsor	Riverview Hospital.....	353	70,600
Windsor	Hotel Dieu of St. Joseph's Hospital.....	368	73,600
Windsor	Metropolitan General Hospital.....	255	51,000
Windsor	The Salvation Army Grace Hospital.....	181	36,200
Wingham	Wingham General Hospital.....	40	8,000
Woodstock	Woodstock General Hospital.....	86	17,200

ONTARIO'S CONSTRUCTION PROGRAM FOR HOSPITALS AND SANATORIA

Under a program inaugurated in 1947 by the Ontario Government, a provincial grant is payable to public general hospitals and sanatoria as follows: \$1,000 for each new active treatment bed, \$2,000 for each new chronic or convalescent bed, \$8,500 for each new psychiatric or detention bed, as well as \$2,500 for each new T.B. bed, and \$1,000 for each nurse's bed in a hospital residence. Since this program was started, approval has been given by the Province for contributions towards 21,621 beds and 3,103 nursery bassinets, as follows:

Active treatment beds	.	.	.	.	.	.	13,213
Chronic beds	.	.	.	.	.	.	3,073
Convalescent beds	.	.	.	.	.	.	385
Psychiatric beds	.	.	.	.	.	.	337
Detention beds	.	.	.	.	.	.	20
T.B. beds	.	.	.	.	.	.	920
Nurses' beds	.	.	.	.	.	.	3,673
Total	.	.	.	.	.	.	<u>21,621</u>
Nursery Bassinets	.	.	.	.	.	.	<u>3,103</u>

These programs up to December 31, 1954 represent a commitment by the Province to assist hospitals and sanatoria by provincial capital grants amounting to \$35,622,098.06, of which \$30,517,790.96 has already been paid.

The following table shows the bed capacity resulting from these programs in each type of institution, together with those being processed at the present time by the Department of Health:

	Active	Conval- escent	Chronic	Tuber- culosis	Psychi- atric	Deten- tion	Total Hospital Beds
Existing Beds, Dec. 31, 1946...	14,427	308	1,643	3,642	....	....	20,020
Total Approved Beds.....	13,213	385	3,073	920	337	20	17,948
Beds lost due to construction and readjustment.....	3,296	4	229	194	....	....	3,723
Under construction or approved but not started.....	2,680	24	698	24	100	9	3,535
Net Bed gain since 1946.....	7,237	357	2,146	702	237	11	10,690
Existing Beds, Dec. 31, 1954 ..	21,664	665	3,789	4,344	237	11	30,710
Under construction, Dec. 31, 1954.....	1,969	24	698	24	20	7	2,742
Approved but not started.....	711	....	....	....	80	2	793
Planned but not approved.....	1,105	....	209	....	60	12	1,386
Less Beds in incomplete pro- jects to be abandoned.....	295	....	64	....	....	....	359
Total Beds to be available on completion of programs....	<u>25,744</u>	<u>689</u>	<u>4,760</u>	<u>4,368</u>	<u>397</u>	<u>32</u>	<u>35,990</u>

NURSES' BEDS:

Approved.....	<u>3,673</u>
Completed.....	2,370
Under construction....	1,303

NURSERY BASSINETTES:

Approved.....	<u>3,103</u>
Completed.....	2,532
Under construction....	571

HIGHWAYS EXPENDITURE, FISCAL YEARS 1954-55 AND 1955-56

CAPITAL EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1954-55	Allocation of Proposed Appropriation for 1955-56
	\$	\$
1. South Western Ontario Divisions..... Chatham, London, Stratford and Owen Sound— including grading, culverts, hot mix and concrete pavement and structures on 401 Highway in the Chatham and London Divisions as well as grading, culverts, granular base on various roads in all divisions.	7,181,500	17,125,000
2. Central Southern Ontario Divisions..... Hamilton, Toronto, Port Hope—including various structures on 401 and the completion of the Wash- ago bypass, grading, culverts, granular base and hot mix pavement and structures on various roads throughout these divisions.	12,221,000	14,728,000
3. South Eastern Ontario Divisions..... Kingston, Ottawa and Bancroft—including vari- ous structures and grading and culverts on High- way 401 and work on the Belleville and Kingston bypasses, grading, culverts and granular base and various structures in the Ottawa and Bancroft divisions.	8,187,000	10,623,000
4. North Central and North Eastern Divisions..... Huntsville, North Bay, Sudbury, New Liskeard, Cochrane and Blind River—including overheads over C.N.R. at Scotia Junction, Novar and a sub- way at Footes Bay, hot mix paving as well as various structures on Trans-Canada Highway in Sudbury and Huntsville divisions, grading, cul- verts and hot mix paving on various roads throughout these divisions.	8,520,000	12,158,000
5. North Western Ontario Divisions..... Fort William, Kenora—including grading and cul- verts on Trans-Canada Highway and structures at Little Pick River, Steel River and Mattowin River and grading, culverts and hot mix paving on various roads throughout these divisions.	2,262,000	6,250,000
6. Property Purchases.....	6,000,000	5,000,000
7. Surveys, Soils and Testing Laboratory, etc.....	3,093,500	4,116,000
8. Municipal Roads.....	17,525,000	31,035,000
Sub-total.....	64,990,000	101,035,000
9. Mining and Logging Access Roads.....	565,000	1,500,000
	<u>65,555,000</u>	<u>102,535,000</u>

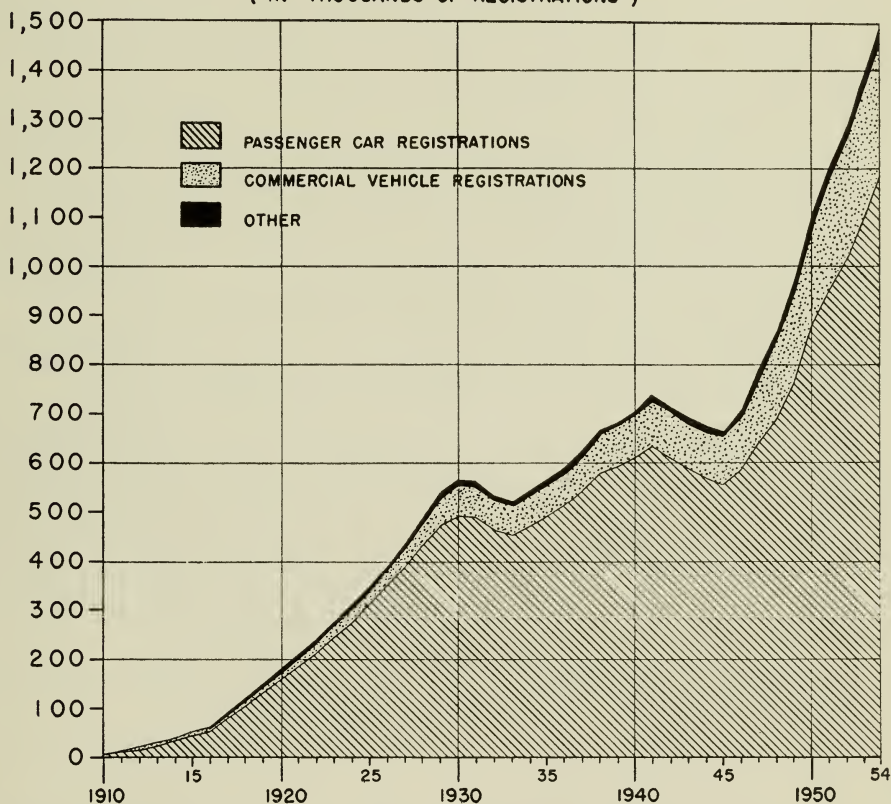
ORDINARY EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1954-55	Allocation of Proposed Appropriation for 1955-56
	\$	\$
Maintenance of King's Highways and Development Roads and administration of Department	39,591,300	38,620,000
Repaving present roads.....		16,000,000
Amount allotted to Municipalities for Maintenance under Municipal Roads Branch.....	18,517,000	18,500,000
Total Ordinary.....	58,108,300	73,120,000
Combined Capital and Ordinary.....	123,663,300	175,655,000
Unallocated Amount in the Highway Reserve Account.		16,168,805
	<u>123,663,300</u>	<u>191,823,805</u>

HIGHWAY RESERVE ACCOUNT

Appropriated from Ordinary Account in 1952-53.....		\$30,000,000
Appropriated from Ordinary Account in 1953-54.....		40,500,000
Appropriated from Ordinary Account in 1954-55.....		38,500,000
		<u>\$109,000,000</u>
Capital Expenditure in 1953-54.....	\$29,331,195	
Estimated Capital Expenditure 1954-55.....	<u>30,500,000</u>	
		59,831,195
Estimated Balance at March 31, 1955.....		\$49,168,805
Estimated Capital Expenditure 1955-56.....		<u>33,000,000</u>
Estimated Balance available for future Capital Expenditure.....		<u>\$16,168,805</u>

PROVINCE OF ONTARIO MOTOR VEHICLE REGISTRATIONS 1903 — 1954

(IN THOUSANDS OF REGISTRATIONS)



MOTOR VEHICLE REGISTRATIONS SELECTED YEARS 1903-1954

YEAR	FASSENGER	COMMERCIAL	OTHER	TOTAL
1903	178			178
1910	4,230			4,230
1920	155,861	16,204	5,496	177,561
1930	490,906	61,690	9,910	562,506
1933	453,314	59,760	7,279	520,353
1941	636,624	95,022	7,548	739,194
1945	555,461	100,234	7,024	662,719
1946	585,604	117,217	8,285	711,106
1947	645,252	140,930	10,765	796,947
1948	698,384	162,589	12,285	873,258
1949	771,709	183,598	14,062	969,369
1950	881,143	202,800	20,137	1,104,080
1951	958,082	225,271	21,745	1,205,098
1952	1,024,816	243,591	23,346	1,291,753
1953	1,117,175	261,923	27,021	1,406,119
1954*	1,185,650	271,600	29,960	1,487,210

"COMMERCIAL" Includes Motor Buses.

"OTHER" Includes Motorcycles, Dual purpose vehicles
and beginning in 1950, Station Wagons and similar vehicles

* Preliminary

MINING ACCESS ROADS CONSTRUCTED BY THE GOVERNMENT OF ONTARIO

Since the Government of Ontario adopted its policy of constructing mining access roads in 1951, the following roads have been completed or are in process of completion. Up to the end of March, 1955, more than \$2.5 million will have been spent on the construction of various mining access roads. Those below which are marked with an asterisk were built entirely at the public expense, while others were constructed in cooperation with one or more mining companies. The following is a list of the roads completed and started:

* 1. Jonsmith-Milnet Road	Completed in 1952.
2. Road from Matarrow Mines Limited to Consolidated Mines Limited in Yarrow Township	Completed in 1952.
3. Road from Broulan Reef Mines Limited to Claims in Murphy Township	Completed in 1952.
4. Road from Missanabie to Renabie Mines Limited	Completed in 1952.
5. Truck Road to Delhi (Temagami) Gold Mines Limited, Delhi Township	Completed in 1952.
6. Nemegos Uranium Corporation Road	Completed in 1952.
7. Road from MacKenzie Red Lake Mine to Cottage Cove	Completed in 1952.
8. Gilgreer Mines Limited Road—Lorrain Township	Completed in 1952.
9. Road from Highway 72 to Newlund Mines	Completed in 1952.
10. Purdy Mica Mines Road and Bridge	Completed in 1952.
11. Rowan Consolidated Mine Road	Completed in 1952.
12. Ontario Pyrites Road	Completed in 1952.
13. East Rim Nickel Mines Limited, Road and By-Pass	Completed in 1953.
*14. South Onaman River Area Road—16 miles	Completed in 1953.
*15. Sinclair Road—Connecting Gogama with Westree-Elk Lake Highway—41 miles	Completed in 1953.
16. Jardun Mines Limited Road	Completed in 1953.
17. Road from Red Lake to Madsen and Starratt-Olsen Mine Property	Completed in 1953.
18. Road to Roy Silver Mines	Completed in 1953.
*19. Warren Lake Road—20 miles	Completed in 1953.
*20. Matachewan-Kenogami Road—17.1 miles	Completed in 1953.
*21. Nezah-Auden Road—9.8 miles	Completed in 1953.
22. Mine Centre Road—Fort Frances Area	Completed in 1953.
23. Fecunis Lake Road	Completed in 1954.
24. Nickel Offsets Road (Chelmsford)	Completed in 1954.
25. Algom Road	Completed in 1954.
*26. Potter Doal Road—1.91 miles	Completed in 1954.
*27. Hemlo-Geco Road—13.8 miles	Completed in 1954.
*28. Sothman-Semple Township Road—10.8 miles	Started in 1953.
29. Sultan Cunningham Road	Started in 1953.
*30. Warren Lake Extension—9.8 miles	Started in 1954.

In addition, improvement work has been done on the following roads:

31. Atikwa Lake Road
32. Foleyet Ivanhoe Road
33. Holtyre Road—Johns-Manville Property.

PUBLIC BUILDINGS AND WORKS

The Department of Public Works has for the past several years been carrying out a large program of construction of new buildings and works, including the renovation, modernizing and fireproofing of many of the older buildings.

To continue the work now underway, the sum of \$16,000,000 has been included in the estimates for next fiscal year, and the program will be extended to start many new projects for which the sum of \$20,000,000 has been provided, making a total amount to be voted for new buildings and works of \$36,000,000. A further capital sum of \$775,000 has been included in the estimates for construction of storage dams and docks and remedial works.

The following statements list the buildings and works completed during the fiscal year 1954-55 and a partial list of the program for 1955-56.

Work Completed During the Fiscal Year 1954-55

Toronto Area: Construction of a one-storey addition to provide additional office accommodation for the Registrar-General's Branch at 70 Lombard Street.

Department of Agriculture: Schomberg—Fruit Inspection Station.

Department of Attorney-General: Bracebridge—Reconstruction of Registry and Land Titles office.

Ontario Provincial Police—Detachment Buildings:—
 New Detachment Building at Smooth Rock Falls.
 Additions to Detachment Buildings at Temagami
 and Burk's Falls.

Sharbot Lake (Purchase of building).

Housing Units:—

20 Housing Units at:

Haileybury	3
Cochrane	2
Englehart	1
Matheson	1
Timmins	3
Sault Ste. Marie	2
Mattawa	1
Barrie	3 out of 6
Picton	1
Niagara Falls	purchased 3
Garages:—	8 and 1 Boat House.

Department of Education: Hamilton—Textiles Institute—one-storey addition.

Department of Health: Brockville—Ontario Hospital—Additions to 6 cottages and new food service centre.

Brockville—Ontario Hospital—Laundry Building—one-storey addition.

Port Arthur—Ontario Hospital—Pavilions F1 and M1, Central Reception and Food Service Building and Power House.

Smiths Falls—Ontario Hospital—Group A5, namely, Medical, Surgical and Clinical Buildings.

Department of Highways: North York Township—Vehicle Repair Garage, heated and unheated Storage Building, Paint Shop and Display Building.

Department of Reform Institutions: Mimico Reformatory—Dormitory No. 1
Mimico Reformatory—Dormitory No. 3 (near completion)
Guelph Reformatory—Gymnasium Building
Guelph Reformatory—New Hospital Building
Burwash Industrial Farm—Camp 2, Public School addition.

Department of Lands and Forests: Orono (Durham County)—Forestry Station, reconstruction of dam.

Dams and Docks: Buck Lake (Muskoka)—Construction of Dam
Port Carling (Muskoka)—Reconstruction of Locks
Huntsville (Muskoka)—Reconstruction of Dam and Channel
Chiblow Lake (Algoma Manitoulin)—Reconstruction of Dam.

Work to be Continued During the Fiscal Year 1955-56

New Reception Building at the Ontario Hospital, Queen St. West, Toronto (now in finishing stages).

New Treasury Building, Queen's Park Crescent (now in finishing stages).

New Office Building at the corner of Queen and York Streets, Toronto (now in finishing stages).

New Teachers' College on Pape Avenue, Toronto.

Office, Laboratory and Central Stores Building for Department of Highways at Wilson Avenue and Keele Street.

Additions and renovations to the Ontario Hospital, Brockville.

Completion of Administration and Gymnasium Building and Nurses' Residence, Ontario Hospital, Smiths Falls (now in finishing stages).

New Ontario Hospital to provide 1,200 beds at North Bay.

Completion of the Ontario Hospital at Port Arthur, also to provide 1,200 beds.

A new Dormitory and Reception Building and new Isolation Building at the Ontario Hospital, Orillia (now almost finished).

New School Building at the Experimental Farm, Ridgetown.

New Seed Processing Laboratory, O.A.C., Guelph.

New Reformatory at Millbrook.

These major projects, together with the many capital improvement jobs, in themselves form a sizeable program of new buildings and works, and in some cases will continue in operation over several years before brought to completion. However, the Government has given careful consideration to expanding the building program and many new work projects have been included in the list of work to be started, if possible, this next fiscal year.

New Work to be Started During Fiscal Year 1955-56

Ryerson Institute—Toronto: Replacement of certain existing buildings with new multi-storied fireproof construction.

Lakehead Technical Institute: To start construction of a new Technical Institute.

Ontario Hospital—Orillia: Construction of a new children's unit of 300 beds and a new Power Plant.

New Buildings for Ontario Hospital—Kingston: A new fireproof building group will be erected at this hospital to provide for:—

- (a) 500-bed accommodation for patients, comprising two infirmary buildings, a central dining hall and kitchen building and a new administration and medical surgical group.
- (b) A new fireproof assembly hall, gymnasium and occupational centre will also be provided.
- (c) In addition to the above, a new power plant and laundry building will be constructed.

Ontario Provincial Police Headquarters: Six new Headquarters Buildings will be erected for the Provincial Police located at Niagara Falls, Barrie, Port Arthur, Hamilton area, District of Cochrane and Cornwall.

New Addition for Criminally Insane: A new fireproof addition will be added to the existing building for the criminally insane at Ontario Hospital, Penetang. This addition will provide for 150 additional beds and an Assembly Hall.

New Buildings for Ontario Hospital—Woodstock: New construction will be carried forward at this Hospital to provide for 500 additional beds for patients.

New Buildings for Ontario Hospital—Brockville: Two new buildings for disturbed patients will be constructed at this Hospital to provide an additional 260 beds.

New Construction at Ontario Hospital—Hamilton: A new group of buildings will be erected at the Ontario Hospital, Hamilton, to provide for 600 additional beds for patients, a residence for 125 nurses and a new laundry building and power plant.

Other Buildings: Office buildings for the Department of Highways located at Owen Sound, Cochrane, Bancroft, Stratford and Fort William.

Construction of a new Science Building at the O.A.C. Guelph and a Medical Surgical Building for the Ontario Veterinary College.

A new District Office Building at Kapuskasing for the Department of Lands and Forests and a Chief Ranger's Headquarters Building at Pembroke.

Construction of a new Dormitory Building with cells and a new power plant, at the Industrial Farm, Burwash.

Construction of two new Dormitory Buildings at the Ontario Reformatory, Mimico.

ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO
FISCAL YEARS ENDING MARCH 31, 1944 TO 1956

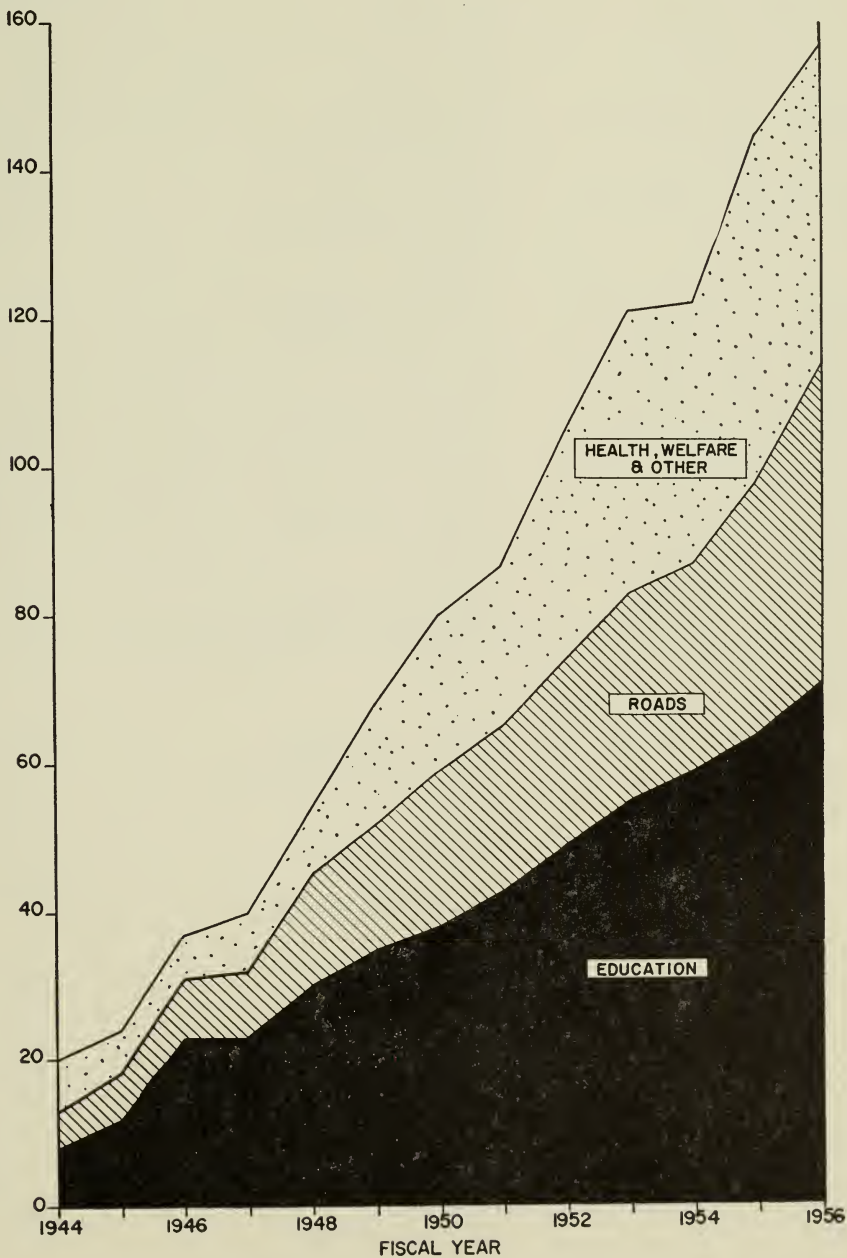
	1944	1946	1948	1950	1951	1952	1953	1954	1955 ¹	1956 ²
					(Thousands of Dollars)					
Education.....	8,398	23,369	29,977	38,708	43,695	48,863	55,438	59,044	64,730	70,830
Hospitals.....	1,634	1,183	3,283	9,394	10,137	11,716	14,761	12,580	15,816	14,941
Health Units, School Medical Inspection and School Dental Services.....	25	171	428	489	576	580	646	672	691	710
Roads.....	4,917	7,341	15,335	20,752	21,345	25,232	28,020	28,084	33,625	43,785
One-Mill Subsidy.....	3,064	3,105	3,279	1,363	1,669	1,894	2,311	2,727	130	145
Police Act.....	.....	.....	.....	1,375	1,589	1,721	2,076	2,273	105	120
Fire Departments Act.....	.....	.....	.....	.....	.....	.....	.....	.....	11,650	12,450
Unconditional per Capita Grants.....	.....	.....	.....	.....	.....	.....	.....	.....	220	225
Day Nurseries.....	.....	.....	134	144	198	217	217	213	220	225
Children's Aid.....	72	77	88	824	1,017	1,152	1,340	1,487	1,620	1,840
Homes for the Aged.....	.....	.....	.....	463	1,038	2,238	1,971	1,829	2,365	3,325
Erection of Housing Units for Elderly Persons.....	.....	.....	.....	.....	.....	.....	.....	69	60	150
Unemployment Relief.....	1,219	1,310	1,807	2,396	2,687	3,038	2,831	2,811	3,300	3,200
Community Centres.....	.....	.....	9	482	433	423	204	187	302	150
Conservation, Drainage Aid and Flood Control.....	6	49	66	1,012	600	1,367	1,251	1,256	1,725	2,641
Mining Municipalities.....	350	105	150	300	302	372	1,427	1,493	1,500	1,500
Payments in Lieu of Certain Municipal Taxes.....	.....	.....	.....	.....	.....	.....	376	375	450	500
Miscellaneous.....	364	377	427	1,881	1,456	884	1,076	506	498	565
Total.....	20,049	37,087	54,983	79,583	86,692	99,697	113,945	115,606	138,787	157,077
Special Grants to Hospitals for Capital Purposes.....	.....	.....	.....	.....	.....	5,750	7,111	7,070	6,000	.....
Grand Total.....	20,049	37,087	54,983	79,583	86,692	105,447	121,056	122,676	144,787	157,077

¹Interim, 10 months' actual plus 2 months' forecast.

²Forecast.

ASSISTANCE TO MUNICIPALITIES
BY THE PROVINCE OF ONTARIO
FISCAL YEARS ENDING MARCH 31, 1944 TO 1956

MILLIONS
OF DOLLARS



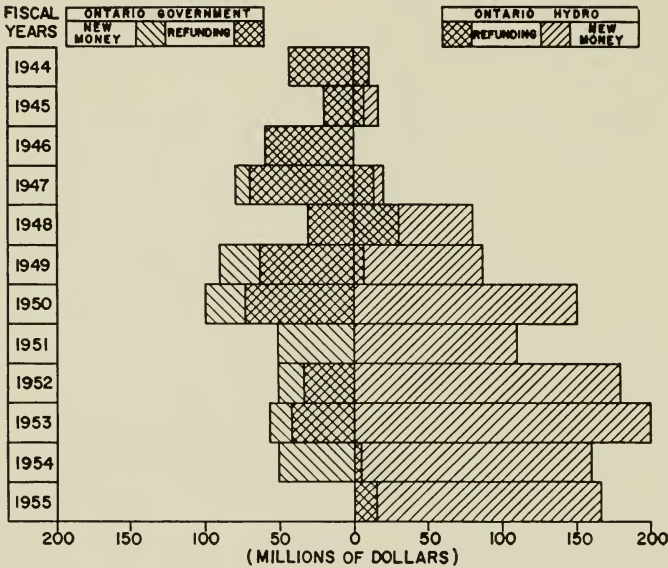
THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

Summary by Municipalities of Debentures purchased from inception to March 10, 1955

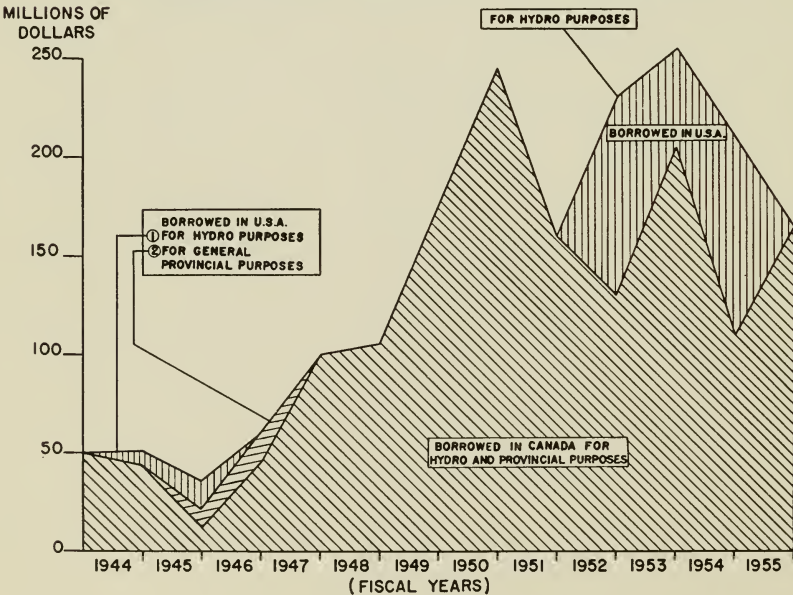
Municipality	Type of Work	Amount
Atikokan, Township of.....	Water and Sewers.....	\$ 348,500.00
Board of Management of the Inter-Urban area of Burlington-Nelson.....	Water.....	327,000.00
Bertie, Township of.....	Water.....	137,000.00
Bracebridge, Town of.....	Water.....	90,000.00
Bronte, Village of.....	Water.....	210,000.00
Chapleau, Township of.....	Sewers.....	310,000.00
Cobden, Village of.....	Water and Sewers.....	77,900.00
Cochrane, Town of.....	Sewers.....	109,000.00
Crystal Beach, Village of.....	Water and Sewers.....	183,594.31
Delhi, Village of.....	Water and Sewers.....	50,000.00
Dryden, Town of.....	Water.....	55,100.00
Elmvale, Village of.....	Water.....	4,100.00
Etobicoke, Township of.....	Water and Sewers.....	1,416,113.75
Fort Frances, Town of.....	Water and Sewers.....	34,463.66
Geraldton, Town of.....	Water.....	90,000.00
Grantham, Township of.....	Water.....	107,700.00
Hawkesbury, Town of.....	Water and Sewers.....	638,800.00
Hearst, Town of.....	Water and Sewers.....	52,000.00
Long Branch, Village of.....	Water.....	106,700.00
Madoc, Village of.....	Water and Sewers.....	15,500.00
Mattawa, Town of.....	Water and Sewers.....	193,500.00
Matheson, Town of.....	Water.....	13,000.00
Morrisburg, Village of.....	Sewers.....	8,500.00
McKim, Township of.....	Water and Sewers.....	872,517.22
North York, Township of.....	Incinerator, Water and Sewers	1,747,367.59
Niagara Falls, City of.....	Water.....	598,000.00
Neelon and Garson, United Township of.....	Water.....	237,474.33
New Liskeard, Town of.....	Water and Sewers.....	116,000.00
Niagara, Township of.....	Sewers and Drainage.....	52,311.98
Nipigon, Township of.....	Water.....	10,000.00
Oakville, Town of.....	Water.....	490,000.00
Port McNicoll, Village of.....	Water.....	16,500.00
Port Credit, Village of.....	Water.....	270,476.00
Parry Sound, Town of.....	Water and Sewers.....	17,500.00
Red Rock, Improvement District of.....	Water and Sewers.....	43,145.00
Riverside, Town of.....	Water and Sewers.....	152,982.78
Rockland, Town of.....	Water.....	35,000.00
Sioux Lookout, Town of.....	Water and Sewers.....	142,185.00
Scarborough, Township of.....	Water and Sewers.....	4,772,800.00
South River, Village of.....	Water.....	120,000.00
Sandwich East, Township of....	Water and Sewers.....	258,563.54
Sandwich West, Township of....	Water.....	33,415.47
Schreiber, Township of.....	Water.....	35,000.00
Stamford, Township of.....	Water.....	602,000.00
Sudbury, City of.....	Water and Sewers.....	276,404.17

Municipality	Type of Work	Amount
St. Clair Beach, Village of.....	Water.....	14,230.00
Sturgeon Falls, Town of.....	Water and Sewers.....	132,321.00
Tarentorus, Township of.....	Water.....	74,000.00
Tay, Township of.....	Water.....	93,000.00
Teck, Township of.....	Water.....	100,000.00
Tecumseh, Township of.....	Sewers.....	22,385.00
Timmins, Town of.....	Sewers.....	109,875.00
Toronto, Township of.....	Water.....	800,000.00
Windsor, City of.....	Water.....	2,000,000.00
Widdifield, Township of.....	Water.....	39,050.00
Westminster, Township of.....	Sewers.....	28,000.00
West Ferris, Township of.....	Water.....	60,000.00
Whitney, Township of.....	Sewers.....	9,000.00
		<u>\$18,959,975.80</u>

DEBENTURES ISSUED FOR ONTARIO GOVERNMENT
AND ONTARIO HYDRO PURPOSES.
FISCAL YEARS 1943-44 TO 1954-55



DEBENTURES ISSUED IN CANADA
AND THE UNITED STATES.
FISCAL YEARS 1943-44 TO 1954-55



**PROVINCE OF ONTARIO SURPLUS ON ORDINARY ACCOUNT
FOR FISCAL YEARS 1950-51 TO 1954-55**

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Net Ordinary Revenue.....	265,272	302,321	349,500	372,973	388,942
Less: Net Ordinary Expenditure before provision for Sinking Funds.....	228,090	266,984	317,541	342,095	370,702
Surplus—before provision for Sinking Funds.....	37,182	35,337	31,959	30,878	18,240
Less: provision for Sinking Funds.....	21,698	34,276	30,859	29,945	17,536
Balance Carried to Surplus Account.....	<u>15,484</u>	<u>1,061</u>	<u>1,100</u>	<u>933</u>	<u>704</u>

STATEMENT OF CONSOLIDATED REVENUE FUND

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Receipts:					
On Ordinary Account.....	265,272	302,321	349,500	372,973	388,942
On Capital Account.....	44,245	80,671	112,447	104,430	82,412
Net Proceeds of Loans, etc.....	59,960	195,825	206,757	262,994	144,670
	<u>369,477</u>	<u>578,817</u>	<u>668,704</u>	<u>740,397</u>	<u>616,024</u>
Disbursements:					
On Ordinary Account.....	249,788	301,260	348,400	372,040	388,238
On Capital Account.....	74,309	191,866	151,515	205,139	115,547
Loan Retirements, etc.....	60,363	74,045	174,026	149,484	147,543
	<u>384,460</u>	<u>567,171</u>	<u>673,941</u>	<u>726,663</u>	<u>651,328</u>
Net Increase or (Decrease) on Year.....	(14,983)	11,646	(5,237)	13,734	(35,304)
	<u>369,477</u>	<u>578,817</u>	<u>668,704</u>	<u>740,397</u>	<u>616,024</u>

SUMMARY OF INCREASE IN NET CAPITAL DEBT

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Capital Disbursements on Highways, Public Buildings, Works, etc.....	55,596	71,055	86,193	88,173	97,380
Less: Expenditure from Highway Reserve Account.....	.....	.....	.....	29,331	30,500
	<u>55,596</u>	<u>71,055</u>	<u>86,193</u>	<u>58,842</u>	<u>66,880</u>
Less: Capital Receipts relating thereto.....	5,523	3,377	2,763	2,617	627
	<u>50,073</u>	<u>67,678</u>	<u>83,430</u>	<u>56,225</u>	<u>66,253</u>
Miscellaneous Decrease.....	301	1,022	568	183	911
	<u>49,772</u>	<u>66,656</u>	<u>82,862</u>	<u>56,042</u>	<u>65,342</u>
Less: Surplus (before providing for Sinking Funds).....	37,182	35,337	31,959	30,878	18,240
Increase in Net Capital Debt.....	<u>12,590</u>	<u>31,319</u>	<u>50,903</u>	<u>25,164</u>	<u>47,102</u>

Included in the Net Capital Debt as of March 31, 1955, are the following items:

	\$'000
Highway Reserve Account.....	49,169
Corporations Tax Reserve Account.....	15,444
	<u>64,613</u>

NET ORDINARY REVENUE BY MAJOR SOURCES
FOR FISCAL YEARS 1950-51 TO 1954-55

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Government of Canada:					
Statutory Subsidies.....	3,155	3,641	3,641	3,641	3,641
Interest—Common School Fund.....	71	71	71	71	71
Share of Income Tax Collected from Privately-owned Corporations Operating Public Utilities.....	815	630	474	1,097	750
Tax Rental Agreement.....	.....	.....	123,327	134,448	142,747
	<u>4,041</u>	<u>4,342</u>	<u>127,513</u>	<u>139,257</u>	<u>147,209</u>
Taxation:					
Corporation Tax.....	76,254	94,115	.....	.....	.....
Gasoline Tax.....	65,040	71,382	77,648	86,239	90,850
Succession Duties.....	17,828	21,652	19,821	20,165	23,000
Hospitals Tax.....	6,290	6,329	6,668	6,747	6,400
Race Track Betting.....	4,159	4,014	3,640	3,968	3,945
Mining Tax and Sundry.....	3,974	5,381	4,533	4,104	4,455
Security Transfer Tax.....	1,645	1,797	1,846	1,788	1,925
Logging Tax.....	1,289	922	827	824	750
Land Transfer Tax.....	1,702	1,836	2,049	2,487	2,800
Other Taxes.....	523	569	609	781	811
	<u>178,704</u>	<u>207,997</u>	<u>117,641</u>	<u>127,103</u>	<u>134,936</u>
Other Revenue:					
Agriculture.....	845	849	948	1,087	1,043
Attorney-General.....	1,472	2,484	2,953	3,572	3,947
Education.....	1,357	1,321	2,142	1,325	1,468
Health.....	2,599	2,896	3,723	4,062	4,111
Highways—					
Motor Vehicles—					
Licences.....	19,702	20,541	24,023	25,357	25,800
Fees and Fines.....	628	681	816	826	825
Other Licences, Rentals, etc.....	78	82	76	870	825
Insurance.....	333	338	365	382	420
Labour.....	228	261	272	469	515
Lands and Forests—					
Timber Dues, Bonus, etc.....	6,461	9,501	15,118	11,396	11,700
Fish and Game Licences, Fines.....	3,066	3,320	3,410	3,801	3,975
Water Power Leases.....	828	1,101	1,293	1,673	1,500
Other Licences, Rentals, Fees, etc.....	285	313	407	724	790
Mines.....	425	475	551	1,056	913
Municipal Affairs.....	397	512	447	474	497
Provincial Secretary.....	967	840	935	1,382	1,380
Reform Institutions.....	583	568	532	585	586
Treasury—					
Liquor Control Board Profits.....	40,000	42,000	44,000	45,000	45,000
Transfer Fees.....	1,074	586	745	1,019	730
Law Stamps.....	732	878	933	976	1,025
Theatre Licences and Other.....	318	281	297	290	431
Various Other Departments.....	149	154	360	287	141
	<u>82,527</u>	<u>89,982</u>	<u>104,346</u>	<u>106,613</u>	<u>106,797</u>
Total Net Ordinary Revenue.....	<u>265,272</u>	<u>302,321</u>	<u>349,500</u>	<u>372,973</u>	<u>388,942</u>

NET ORDINARY EXPENDITURE BY MAJOR CLASSIFICATIONS
FOR FISCAL YEARS 1950-51 TO 1954-55

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Education, Health and Welfare:					
Legislative Grants for Education.....	42,565	47,893	53,879	57,154	62,600
Education of Non-resident Pupils, etc.....	500	451	721	897	1,035
Grants to Universities.....	5,748	6,276	6,646	7,111	7,271
Special Capital Grants to Universities.....	.....	2,300	2,000	3,350	5,700
Public Libraries.....	425	505	599	735	800
Teachers' Superannuation Fund.....	2,603	2,974	3,551	3,973	1,739
Special Contribution.....	.....	1,000	1,000	1,000	1,000
Grants to Health Units.....	493	539	603	624	635
Grants to Sanatoria.....	5,380	6,040	5,925	6,339	6,400
Grants to Public Hospitals.....	10,146	11,642	14,738	12,334	15,809
Grants to Isolation Hospitals.....	.....	26	58	61	50
Special Capital Grants to Hospitals.....	.....	5,750	7,111	7,070	6,000
Special Grant for Ontario Cancer Institute.....	.....	.....	.....	1,000	1,000
Ontario Hospitals—Administrative and Operating Expenses.....	14,015	16,024	17,261	18,799	21,512
Children's Aid—Grants, Services, etc.....	1,181	1,344	1,589	1,772	2,057
Mothers' Allowances.....	5,546	6,038	6,432	6,219	6,575
Medical Services.....	252	242	286	295	276
Old Age and Blind Pensions.....	10,180	8,689	4,765	4,917	5,069
Medical Services.....	979	968	1,248	1,346	1,220
Disabled Persons' Allowances.....	.....	.....	883	2,493	2,600
Medical Services.....	.....	.....	18	62	72
Homes for the Aged— Grants for Maintenance.....	386	672	860	946	965
Grants for New Homes.....	652	1,566	1,111	952	1,400
Direct Relief to Unemployables.....	2,687	3,038	2,831	2,811	3,300
Grants for Upkeep of Day Nurseries.....	198	217	217	213	220
Other Expenditure.....	11,589	12,634	14,004	15,486	16,625
Total Education, Health and Welfare.....	115,525	136,828	148,336	157,959	171,930
Agriculture, Forestry and Mining:					
Ontario Agricultural College, Guelph.....	2,156	2,296	2,601	2,773	3,060
Ontario Veterinary College, Guelph.....	601	626	737	749	823
Other Schools and Farms.....	440	572	661	734	846
Agricultural Representative Branch.....	726	798	865	877	985
Agricultural and Horticultural Societies Branch.....	710	711	537	598	738
Basic Organization (Forestry)— District Offices.....	6,794	7,005	7,664	7,908	8,990
Other Field Services.....	1,487	1,746	1,556	2,311	2,086
Mines.....	827	920	980	1,033	1,176
Other Expenditure.....	3,884	4,586	5,156	5,555	4,332
Total Agriculture, Forestry and Mining....	17,625	19,260	20,757	22,538	23,036
Highways:					
Highways and Development Roads.....	29,025	33,733	34,517	28,882	32,500
Resurfacing and Renovating Roads.....	.....	.....	.....	2,665	
Municipal Roads— Development Roads.....	174	170	202	425	500
Roads in Unincorporated Townships in Northern Ontario.....	475	481	604	621	700
Municipal Subsidies.....	14,027	16,204	17,359	17,411	17,000
Other Expenditure.....	3,487	3,904	4,710	5,302	7,408
Total Highways.....	47,188	54,492	57,392	55,306	58,108

NET ORDINARY EXPENDITURE

(Continued)

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Public Works:					
Public Buildings—Maintenance and Repair.....	2,708	2,677	3,125	3,587	3,936
Dams, Docks, Drainage Works, etc.....	100	56	52	96	100
Grants in Aid of Drainage Work.....	116	189	252	656	650
Expenses in connection with Hurricane Hazel.....	.....	.....	.....	.....	2,140
Other Expenditure.....	523	737	883	959	956
Total Public Works.....	3,447	3,659	4,312	5,298	7,782
Municipal Affairs:					
Subsidies for Police Departments.....	1,669	1,894	2,311	2,727	130
Subsidies for Fire Departments.....	1,589	1,721	2,076	2,273	105
One-Mill Supplementation.....	387	378	324	282	.....
Subsidies to Mining Municipalities.....	302	372	1,427	1,493	1,500
Payments in Lieu of Certain Municipal Taxes.....	.....	.....	376	375	450
Unconditional Per Capita Grants.....	.....	.....	.....	.....	11,650
Administration Expenses re The Municipality of Metropolitan Toronto (and the Metropolitan School Board).....	.....	.....	.....	296	12
Compensation for loss re repeal of the Mortgage Tax Act.....	.....	.....	.....	240	.....
Reimbursement to Municipalities re Telephone Companies Tax.....	.....	.....	.....	254	.....
Other Expenditure.....	640	1,032	1,297	1,556	1,072
Total Municipal Affairs.....	4,587	5,397	7,811	9,496	14,919
Planning and Development:					
Grant—Regent Park Housing.....	206	64	324	.....	303
Housing Projects.....	323	375	350	73	68
Additional Provision for Housing Research Council of Ontario—	.....	1,000	.....	.....	.....
Research Projects and Activities.....	366	424	444	490	438
Other Expenditure.....	661	686	747	814	874
Total Planning and Development.....	1,556	2,549	1,865	1,377	1,683
Labour.....	1,003	1,232	1,466	1,592	1,801
Attorney-General:					
Criminal Justice Accounts.....	1,940	2,024	2,353	2,612	2,982
Law Enforcement Branch.....	3,639	4,095	4,681	5,117	6,318
Other Expenditure.....	1,807	5,005	3,152	3,319	3,080
Total Attorney-General.....	7,386	11,124	10,186	11,048	12,380
Reform Institutions:					
Ontario Reformatories.....	1,808	2,034	1,887	1,993	2,344
Industrial Farms.....	1,746	1,747	1,824	2,005	2,189
Ontario Training Schools for Boys.....	518	628	607	630	724
Ontario Training School for Girls.....	192	259	255	249	265
Other Expenditure.....	655	1,206	990	1,058	786
Total Reform Institutions.....	4,919	5,874	5,563	5,935	6,308

NET ORDINARY EXPENDITURE

(Continued)

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Provincial Secretary.....	864	1,176	1,439	1,528	1,481
Lieutenant-Governor.....	12	17	17	21	18
Prime Minister.....	399	257	252	372	116
Provincial Auditor.....	201	223	235	254	284
Travel and Publicity:					
Ontario Rentals Administration.....		397	558	474	.....
Other Expenditure.....	614	648	702	881	885
Total Travel and Publicity.....	614	1,045	1,260	1,355	885
Treasury:					
Public Service Superannuation Fund.....	1,349	1,455	1,561	1,770	2,140
Special Contribution to Fund.....	.....	.....	.....	1,000	1,000
Provision for Junior Farmer Establishment Loan Corporation.....	.....	.....	1,000	.....	.....
Other Expenditure.....	1,507	1,749	1,899	2,032	2,362
Total Treasury.....	2,856	3,204	4,460	4,802	5,502
Insurance.....	120	133	146	180	228
Queen's Printer—Stationery Account.....	30	64	.....	23	35
Total of Above Departmental Expenditure..	208,332	246,534	265,497	279,084	306,496
Public Debt—Interest, Exchange, etc.....	19,758	20,450	22,044	22,511	25,706
Total Ordinary Expenditure before Providing for Highway Reserve Account and Sinking Funds.....	228,090	266,984	287,541	301,595	332,202
Provision for Highway Reserve Account.....	.....	.....	30,000	40,500	38,500
Provision for Sinking Funds.....	21,698	34,276	30,859	29,945	17,536
Total Net Ordinary Expenditure.....	249,788	301,260	348,400	372,040	388,238

CAPITAL RECEIPTS
FOR FISCAL YEARS 1950-51 TO 1954-55

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Salvaging Fire-damaged Timber.....	5,163	3,037	2,316	1,626	140
Sale of Lands and Buildings.....	360	340	447	991	487
	5,523	3,377	2,763	2,617	627
Repayment of Loans and Advances:					
Hydro-Electric Power Commission of Ontario.....	2,785	1,732	11,990	1,813	1,856
Agricultural Development Board.....	1,875	1,625	1,350	1,175	1,000
Consolidated Revenue Fund Surplus Investments.....		20,000			
Housing Development Act.....			92	146	335
Other.....	566	547	554	577	563
Deposits in Special Funds:					
Industry and Labour Board— Vacation Pay Stamps Sales.....	6,072	8,620	9,537	10,669	10,200
Public Service Superannuation and Retirement Funds.....	4,056	4,363	4,938	6,833	8,615
Investment—Province of Ontario Bonds— Matured.....				4,500	
Unsatisfied Judgment Fund.....	760	790	1,568	1,803	1,825
Other.....	360	426	542	529	471
Deferred Assets:					
Discount on Debentures, written off.....	537	523	623	663	698
Discount on Debentures, assumed by the Hydro-Electric Power Commission.....		3,375	2,250	1,710	
Discount on Treasury Bills.....			19		
Surplus Receipts:					
Provision for Sinking Funds.....	21,698	34,276	30,859	29,945	17,536
Other.....	2	1	1	1	
Reserves:					
Highway Reserve Account.....			30,000	40,500	38,500
Corporations Tax (receipts applicable to period preceding Tax Rental Agreement).....			14,355	939	150
Province's Expanding Housing Operations.....		1,000			
Ontario Junior Farmer Establishment Loan Corporation.....			1,000		
Miscellaneous.....	11	16	6	10	36
Total Capital Receipts.....	<u>44,245</u>	<u>80,671</u>	<u>112,447</u>	<u>104,430</u>	<u>82,412</u>

CAPITAL DISBURSEMENTS
FOR FISCAL YEARS 1950-51 TO 1954-55

	1950-51	1951-52	1952-53	1953-54	Estimated 1954-55
	(Thousands of Dollars)				
Highways:					
Highways and Development Roads.....	27,577	38,385	51,444	47,354*	47,465*
Municipal Roads Branch—					
Development Roads.....	1,581	1,594	1,638	1,746	1,600
Roads in Unincorporated Townships in					
Northern Ontario.....	179	217	227	223	200
Municipal Subsidies.....	6,664	8,330	9,830	9,806	15,690
Contingencies.....	.....	.....	4	22	35
Mining Roads—Construction.....	.....	145	871	848	565
Rural Power Extension—Bonus.....	7,297	10,224	8,826	9,412	8,300
Public Works:					
Public Buildings—Construction.....	8,306	8,493	8,381	16,913	22,000
Grants—Conservation.....	397	1,040	991	526	950
Other Grants and Miscellaneous.....	268	357	326	523	435
Salvaging Fire-damaged Timber.....	3,327	2,197	1,655	800	140
Grant for Ontario Cancer Institute.....	.....	73	2,000	.....	.....
	55,596	71,055	86,193	88,173	97,380
Loans and Advances:					
Hydro-Electric Power Commission of					
Ontario.....	.....	100,000	50,000	100,000	.....
Housing Development Act.....	.....	.....	2,097	1,875	1,753
Investment—Consolidated Revenue Fund					
Surplus.....	10,000	10,000	.....	.....	.....
Other.....	508	637	473	490	690
Special Funds:					
Industry and Labour Board—					
Vacation Pay Stamps Redeemed.....	5,561	6,935	8,889	9,967	10,760
Public Service Superannuation and Retirement Funds.....	1,557	1,859	1,929	2,380	2,655
Unsatisfied Judgment Fund.....	734	982	1,214	1,611	1,800
Other.....	351	393	716	636	509
Reserves—Miscellaneous.....	2	5	4	7	.....
Total Capital Disbursements.....	<u>74,309</u>	<u>191,866</u>	<u>151,515</u>	<u>205,139</u>	<u>115,547</u>

*Including expenditure from Highway Reserve Account.

**SURPLUS OR DEFICIT* ON ORDINARY ACCOUNT
BEFORE AND AFTER PROVISION FOR SINKING FUNDS
FISCAL YEARS 1936 TO 1955**

Fiscal Year ending March 31st	Net Ordinary Revenue	Net Ordinary Expenditure before pro- vision for Sinking Funds	Surplus or <i>Deficit</i> * before pro- vision for Sinking Funds	Provision for Sinking Funds	Surplus or <i>Deficit</i> * on Ordinary Account
	\$	\$	\$	\$	\$
1936.....	65,726,984	78,178,770	12,451,786*	890,920	13,342,706*
1937.....	80,488,440	70,256,376	10,232,064	918,125	9,313,939
1938.....	86,052,793	80,495,109	5,557,684	947,965	4,609,719
1939.....	86,843,271	85,528,120	1,315,151	992,655	322,496
1940.....	88,172,952	90,368,393	2,195,441*	1,038,655	3,234,096*
1941.....	103,802,020	88,780,934	15,021,086	1,086,655	13,934,431
1942.....	111,496,170	95,208,016	16,288,154	1,129,000	15,159,154
1943.....	108,214,063	91,083,245	17,130,818	1,181,000	15,949,818
1944.....	118,096,684	101,210,715	16,885,969	5,570,000	11,315,969
1945.....	117,124,347	110,956,977	6,167,370	5,292,000	875,370
1946.....	128,368,864	121,450,964	6,917,900	5,352,000	1,565,900
1947.....	142,875,758	135,506,854	7,368,904	5,422,655	1,946,249
1948.....	191,698,952	160,589,199	31,109,753	5,481,000	25,628,753
1949.....	215,469,613	190,706,361	24,763,252	15,550,000	9,213,252
1950.....	228,550,022	199,271,374	29,278,648	20,622,000	8,656,648
1951.....	265,272,106	228,090,424	37,181,682	21,698,000	15,483,682
1952.....	302,320,999	266,983,560	35,337,439	34,276,000	1,061,439
1953.....	349,500,385	317,540,514 ¹	31,959,871	30,859,000	1,100,871
1954.....	372,973,316	342,095,302 ¹	30,878,014	29,945,000	933,014
1955 ²	388,942,000	370,702,000 ¹	18,240,000	17,536,000	704,000

¹Including amount set aside for the Highway Reserve Account: \$30,000,000 in fiscal year 1953, \$40,500,000 in fiscal year 1954 and \$38,500,000 in fiscal year 1955.

²Interim figures.

GROSS AND FISCAL YEARS

Fiscal Year	GROSS DEBT		REALIZABLE AND INCOME PRODUCING			
	Total	Yearly Increase or Decrease*	Hydro	O.N.T.C.	Loans, Cash and Accts. Receivable	Total
	\$	\$	\$	\$	\$	\$
1914.....	41,716,000		10,110,000	20,246,000	5,066,000	35,422,000
1915.....	50,275,000	8,559,000	12,316,000	20,483,000	8,007,000	40,806,000
1916.....	59,336,000	9,061,000	21,939,000	21,184,000	7,684,000	50,807,000
1917.....	61,825,000	2,489,000	27,489,000	21,594,000	5,805,000	54,888,000
1918.....	75,309,000	13,484,000	36,244,000	21,823,000	9,477,000	67,544,000
1919.....	97,032,000	21,723,000	47,700,000	22,335,000	13,882,000	83,917,000
1920.....	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000	104,407,000
1921.....	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000	157,837,000
1922.....	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000	173,144,000
1923.....	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000	190,047,000
1924.....	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000	210,515,000
1925.....	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000	199,810,000
1926.....	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000	204,580,000
1927.....	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000	211,141,000
1928.....	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000	220,320,000
1929.....	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000	238,737,000
1930.....	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000	260,594,000
1931.....	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000	276,640,000
1932.....	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000	296,745,000
1933.....	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000	294,687,000
1934.....	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000	297,284,000
1935***.....	674,386,000	18,625,000	187,878,000	37,208,000	70,885,000	295,971,000
1936.....	689,559,000	15,173,000	172,735,000	36,408,000	74,377,000	283,520,000
1937.....	656,460,000	33,099,000*	151,573,000	30,208,000	69,243,000	251,024,000
1938.....	678,075,000	21,615,000	149,621,000	30,208,000	59,952,000	239,781,000
1939.....	712,767,000	34,692,000	147,841,000	30,208,000	56,450,000	234,499,000
1940.....	737,078,000	24,311,000	145,319,000	30,208,000	54,348,000	229,875,000
1941.....	729,648,000	7,430,000*	137,600,000	30,208,000	55,640,000	223,448,000
1942.....	724,771,000	4,877,000*	135,904,000	30,208,000	51,531,000	217,643,000
1943.....	704,864,000	19,907,000*	121,684,000	30,208,000	57,531,000	209,423,000
1944.....	666,528,000	38,336,000*	105,150,000	30,208,000	48,676,000	184,034,000
1945.....	646,484,000	20,044,000*	95,475,000	30,208,000	40,492,000	166,175,000
1946.....	639,315,000	7,169,000*	93,946,000	30,208,000	36,742,000	160,896,000
1947.....	645,221,000	5,906,000	89,513,000	30,208,000	32,414,000	152,134,000
1948.....	628,388,000	16,833,000*	87,850,000	30,208,000	43,577,000	161,635,000
1949.....	628,663,000	275,000	71,868,000	30,208,000	42,912,000	144,988,000
1950.....	694,009,000	65,346,000	70,209,000	30,208,000	84,773,000	185,190,000
1951.....	697,963,000	3,954,000	67,424,000	30,208,000	78,781,000	176,413,000
1952.....	826,228,000	128,265,000	165,692,000	30,208,000	75,693,000	271,593,000
1953.....	896,143,000	69,915,000	203,702,000	30,208,000	58,158,000	292,068,000

GROSS AND FISCAL YEARS

Fiscal Year	GROSS CAPITAL DEBT		REALIZABLE AND INCOME PRODUCING			
	Total	Yearly Increase or Decrease*	Hydro	O.N.T.C.	Loans and Cash	Total
	\$	\$	\$	\$	\$	\$
1943.....	695,189,000		121,684,000	30,208,000	43,771,000	195,663,000
1944.....	656,806,000	38,383,000*	105,150,000	30,208,000	35,735,000	171,093,000
1945.....	636,770,000	20,036,000*	95,475,000	30,208,000	28,411,000	154,094,000
1946.....	629,914,000	6,856,000*	93,946,000	30,208,000	25,571,000	149,725,000
1947.....	635,842,000	5,928,000	89,513,000	30,208,000	21,909,000	141,630,000
1948.....	618,754,000	17,088,000*	87,850,000	30,208,000	32,429,000	150,487,000
1949.....	619,414,000	660,000	71,868,000	30,208,000	31,622,000	133,698,000
1950.....	683,978,000	64,564,000	70,209,000	30,208,000	73,541,000	173,958,000
1951.....	687,452,000	3,474,000	67,424,000	30,208,000	67,210,000	164,842,000
1952.....	814,160,000	126,708,000	165,692,000	30,208,000	64,331,000	260,231,000
1953.....	884,231,000	70,071,000	203,702,000	30,208,000	45,489,000	279,399,000
1954.....	1,035,484,000	151,253,000	301,889,000	30,208,000	73,391,000	405,488,000

**Population is computed at the fiscal year end on the assumption that a uniformly equal change occurred in each of the twelve months between the annual June estimates of the Dominion Bureau of Statistics.

***Five months ended March 31st.

NOTE—Actual figures to nearest \$1,000.

NET DEBT

1914-1953

ASSETS	NET DEBT				
Yearly Increase or Decrease* \$	Total \$	Yearly Increase or Decrease* \$	Population **	Per Capita Net Debt \$	Fiscal Year
.....	6,294,000	.....	2,713,000	2.32	1914
5,384,000	9,469,000	3,175,000	2,719,000	3.48	1915
10,001,000	8,529,000	940,000*	2,718,000	3.14	1916
4,081,000	6,937,000	1,592,000*	2,732,000	2.54	1917
12,656,000	7,765,000	828,000	2,763,000	2.81	1918
16,373,000	13,115,000	5,350,000	2,820,000	4.65	1919
20,490,000	22,855,000	9,740,000	2,893,000	7.90	1920
53,430,000	44,609,000	21,754,000	2,953,000	15.11	1921
15,307,000	60,045,000	15,436,000	2,994,000	20.06	1922
16,903,000	100,978,000	40,933,000	3,032,000	33.30	1923
20,468,000	118,993,000	18,015,000	3,081,000	38.62	1924
10,705,000*	132,581,000	13,588,000	3,133,000	42.32	1925
4,770,000	144,536,000	11,955,000	3,187,000	45.35	1926
6,561,000	157,779,000	13,243,000	3,244,000	48.64	1927
9,179,000	173,794,000	16,015,000	3,301,000	52.65	1928
18,417,000	188,177,000	14,383,000	3,356,000	56.07	1929
21,857,000	212,778,000	24,601,000	3,405,000	62.49	1930
16,046,000	244,027,000	31,249,000	3,449,000	70.75	1931
20,105,000	277,674,000	33,647,000	3,489,000	79.59	1932
2,058,000*	299,441,000	21,767,000	3,525,000	84.95	1933
2,597,000	358,477,000	59,036,000	3,557,000	100.78	1934
1,313,000*	378,415,000	19,938,000	3,570,000	106.00	1935
12,451,000*	406,039,000	27,624,000	3,601,000	112.76	1936
32,496,000*	405,436,000	603,000*	3,632,000	111.63	1937
11,243,000*	438,294,000	32,858,000	3,666,000	119.56	1938
5,282,000*	478,268,000	39,974,000	3,702,000	129.19	1939
4,624,000*	507,203,000	28,935,000	3,741,000	135.58	1940
6,427,000*	506,200,000	1,003,000*	3,781,000	133.88	1941
5,805,000*	507,128,000	928,000	3,868,000	131.11	1942
8,220,000*	495,441,000	11,687,000*	3,910,000	126.71	1943
25,389,000*	482,494,000	12,947,000*	3,955,000	122.00	1944
17,859,000*	480,309,000	2,185,000*	3,994,000	120.26	1945
5,279,000*	478,419,000	1,890,000*	4,078,000	117.32	1946
8,762,000*	493,087,000	14,668,000	4,162,000	118.47	1947
9,501,000	466,753,000	26,334,000*	4,259,000	109.59	1948
16,647,000*	483,675,000	16,922,000	4,361,000	110.91	1949
40,202,000	508,819,000	25,144,000	4,456,000	114.19	1950
8,777,000*	521,550,000	12,731,000	4,577,000	113.95	1951
95,180,000	554,635,000	33,085,000	4,738,000	117.06	1952
20,475,000	604,075,000	49,440,000	4,875,000	123.91	1953

NET CAPITAL DEBT

1943-1954

ASSETS	NET CAPITAL DEBT				
Yearly Increase or Decrease* \$	Total \$	Yearly Increase or Decrease* \$	Population **	Per Capita Net Capital Debt \$	Fiscal Year
.....	499,526,000	.....	3,910,000	127.76	1943
24,570,000*	485,713,000	13,813,000*	3,955,000	122.81	1944
16,999,000*	482,676,000	3,037,000*	3,994,000	120.85	1945
4,369,000*	480,189,000	2,487,000*	4,078,000	117.75	1946
8,095,000*	494,212,000	14,023,000	4,162,000	118.74	1947
8,857,000	468,267,000	25,945,000*	4,259,000	109.95	1948
16,789,000*	485,716,000	17,449,000	4,361,000	111.38	1949
40,260,000	510,020,000	24,304,000	4,456,000	114.46	1950
9,116,000*	522,610,000	12,590,000	4,577,000	114.18	1951
95,389,000	553,929,000	31,319,000	4,738,000	116.91	1952
19,168,000	604,832,000	50,903,000	4,875,000	124.07	1953
126,089,000	629,996,000	25,164,000	5,021,000	125.47	1954

APPENDIX II

ECONOMIC STATEMENTS

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ONTARIO'S POPULATION GROWTH, 1939 TO 1954

Ontario's population increased by 1,338,000 or 36.1 per cent in the fifteen years between 1939 to 1954. This increase is equivalent to the growth during the preceding 32 years. In the last decade (ending June 1st, 1954), the increase in the population was 1,046,000 or 26.2 per cent. This represents an average rate of increase per annum of 2.9 per cent or more than double that in the years 1939 to 1945. At present, the Province's population is growing at an average rate of 13,000 per month.

The high level of population growth in Ontario in the last ten years is due to a rising birth rate coupled with a declining death rate and large scale immigration.

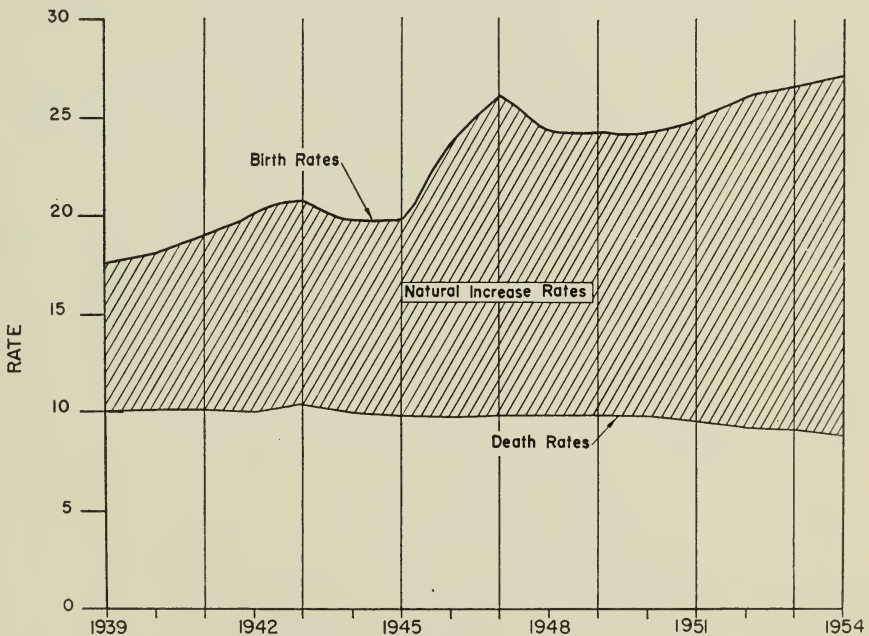
The birth rate registered a sharp upward swing after the end of World War II. This upward trend has continued ever since. In the post-war period, the annual level of births has climbed by 41.1 per cent, rising from 97,000 in 1946 to an all time high of 138,000 in 1954. Soaring birth rates along with declining death rates have combined to produce the highest annual levels of natural increase ever experienced by this Province. In 1954, Ontario's birth registrations were 5.5 per cent higher than those of a year ago, while the birth rate rose to a new high of 27.2 per thousand population. Ontario's natural increase amounted to 92,500 in 1954 or 7,900 above the previous record level in 1953.

Immigration to Ontario, which during various periods has been an important factor in the Province's population increase, reached a particularly high level after 1945. This heavy inflow is comparable to that in the years immediately prior to World War I. Between 1946 and 1954, immigration totalled 522,000. In the last four years, the number of immigrants giving Ontario as their destination has ranged from 83,000 to 105,000 annually.

One of the results of the high marriage rates and record levels of immigration in the post-war period has been the continued rise in the number of families in the Province. In 1954, Ontario had 1,293,000 families, an increase of 200,000 since 1947. For the last few years, the average size of the family has remained stabilized at 3.4 persons.

ONTARIO VITAL STATISTICS, 1939 TO 1954⁽¹⁾

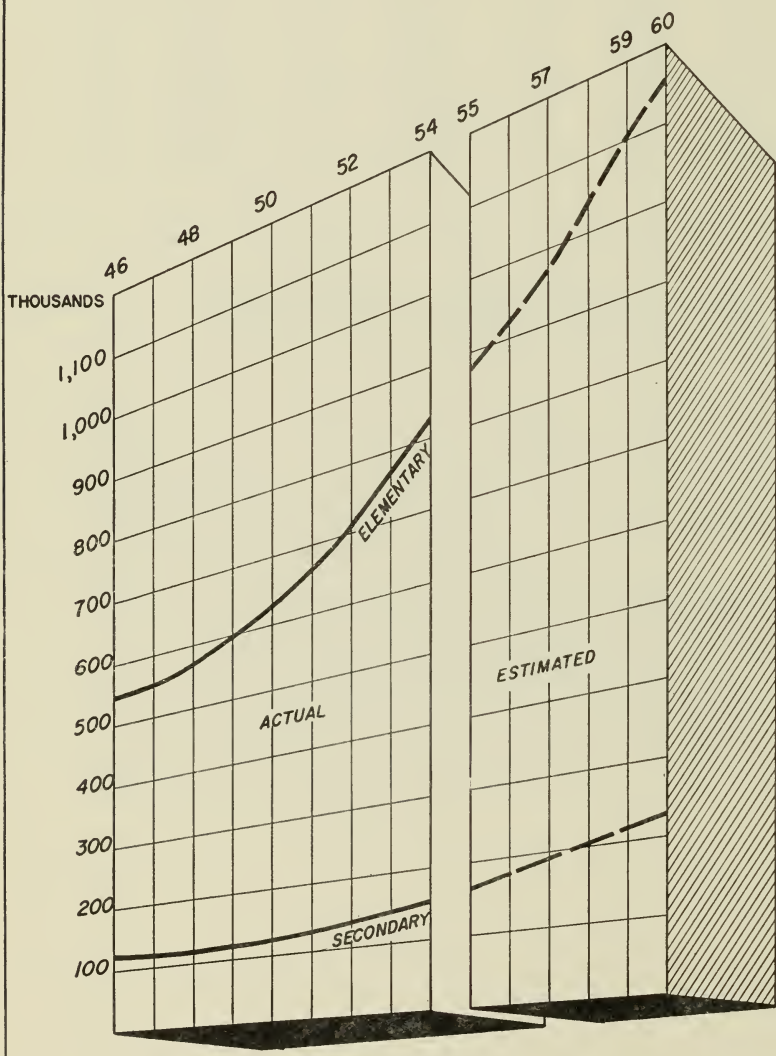
Year	Population (June 1)	Births	Birth Rate per 1000 Population	Deaths	Death Rate per 1000 Population	Natural Increase	Natural Increase Rate per 1000 Population
1939	3,708,000	64,123	17.3	37,530	10.1	26,593	7.2
1940	3,747,000	68,524	18.3	38,503	10.3	30,021	8.0
1941	3,787,655	72,262	19.1	39,226	10.4	33,036	8.7
1942	3,884,000	78,192	20.1	39,119	10.1	39,073	10.1
1943	3,915,000	81,173	20.7	41,063	10.5	40,110	10.2
1944	3,963,000	78,090	19.7	39,781	10.0	38,309	9.7
1945	4,000,000	78,974	19.7	39,499	9.9	39,475	9.9
1946	4,093,000	97,446	23.8	39,758	9.7	57,688	14.1
1947	4,176,000	108,853	26.1	41,619	10.0	67,234	16.1
1948	4,275,000	104,195	24.4	42,364	9.9	61,831	14.5
1949	4,378,000	106,601	24.3	43,379	9.9	63,222	14.4
1950	4,471,000	108,708	24.3	43,948	9.8	64,760	14.5
1951	4,597,542	114,827	25.0	43,981	9.6	70,846	15.4
1952	4,766,000	123,891	26.0	44,402	9.3	79,489	16.7
1953	4,897,000	129,771	26.5	45,242	9.2	84,529	17.3
1954	5,046,000	137,502	27.2	45,004	8.9	92,498	18.3

BIRTH, DEATH AND NATURAL INCREASE RATES
PER 1,000 POPULATION IN ONTARIO, 1939-1954

(1) Figures showing birth and death registrations in 1954 are provisional and will be revised on the basis of residence.

ONTARIO'S SCHOOL ENROLMENT

1946-1954 ACTUAL; 1955-1960 ESTIMATED
(SEPTEMBER ENROLMENT)



ELEMENTARY
ENROLMENT

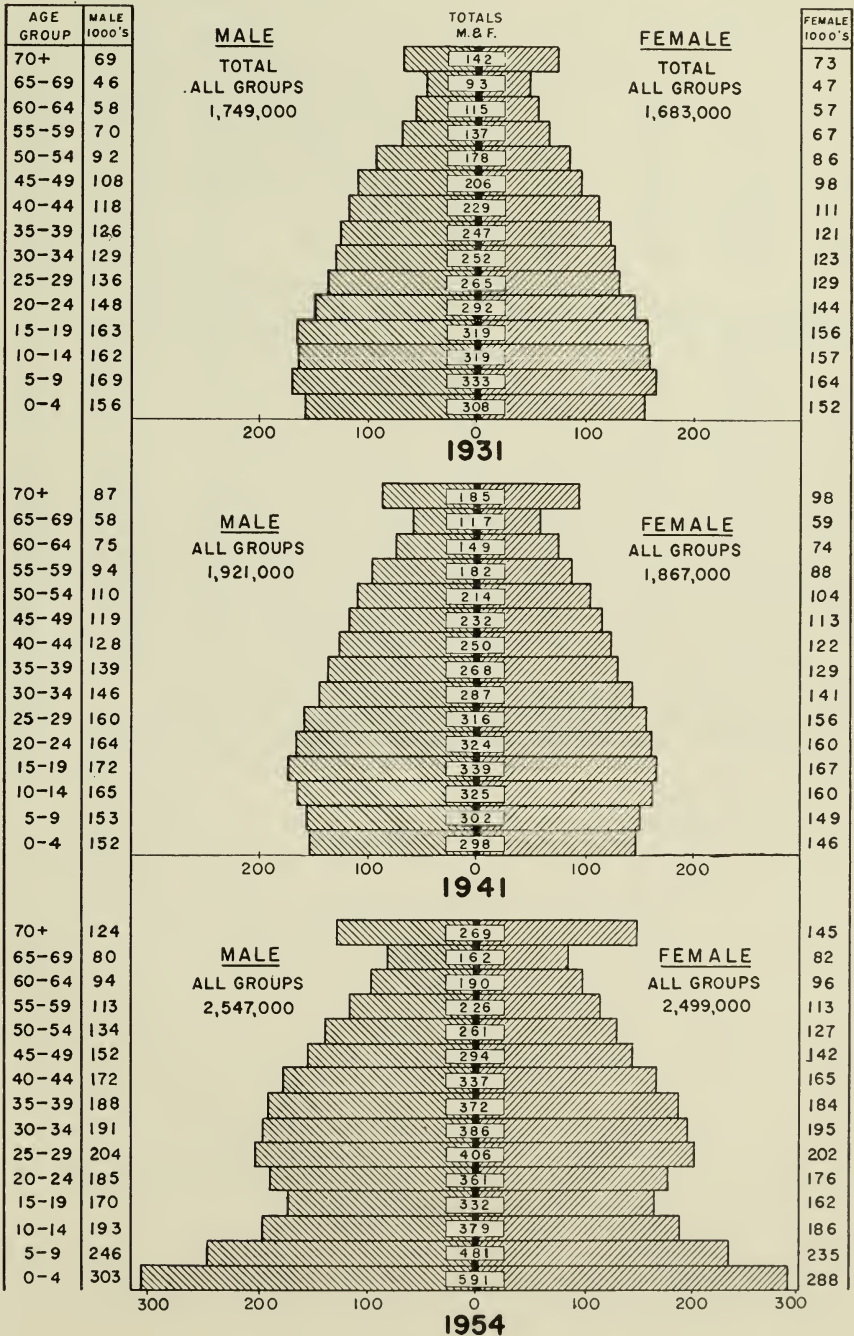
1946-	542,260
1947-	550,035
1948-	571,459
1949-	592,726
1950-	612,182
1951-	654,506
1952-	712,892
1953-	766,306
1954-	821,736

SECONDARY
ENROLMENT

1946-	123,862
1947-	122,074
1948-	125,234
1949-	127,393
1950-	131,215
1951-	133,556
1952-	141,091
1953-	147,857
1954-	160,166

ONTARIO'S POPULATION BY SEX AND AGE GROUP

(IN THOUSANDS)



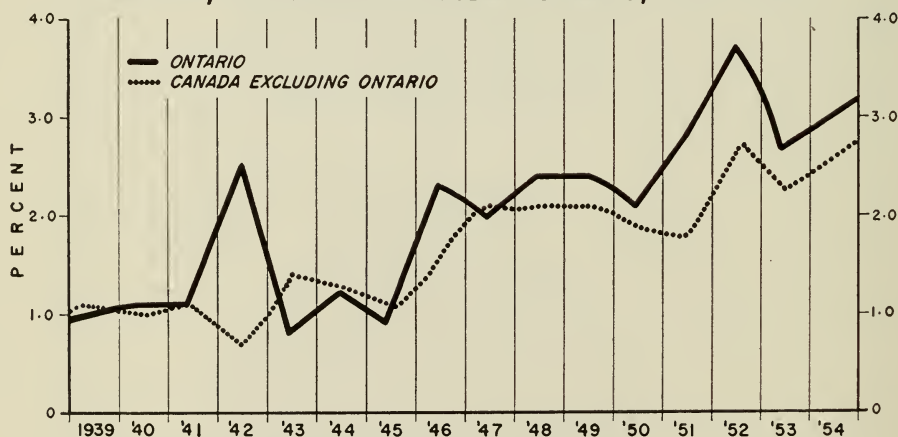
**POPULATION INCREASE IN ONTARIO, CANADA EXCLUDING ONTARIO,
AND ALL OF CANADA, BY CENSUS YEARS, 1871 TO 1951, AND
BY YEARS, 1939 TO 1954**

Year	Ontario			Canada Excluding Ontario			All of Canada		
	Population	Increase		Population	Increase		Population	Increase	
	(000)	No.	Percent	(000)	No.	Percent	(000)	No.	Percent
		(000)	%		(000)	%		(000)	%
<u>By Census Years, 1871 to 1951, Showing Decennial Increase</u>									
1871	1,621	225	16.1	2,068	235	12.8	3,689	460	14.2
1881	1,927	306	18.9	2,398	330	15.9	4,325	636	17.2
1891	2,114	187	9.7	2,719	321	13.4	4,833	508	11.8
1901	2,183	69	3.2	3,188	469	17.3	5,371	538	11.1
1911	2,527	344	15.8	4,680	1,492	46.8	7,207	1,836	34.2
1921	2,934	407	16.1	5,854	1,174	25.1	8,788	1,581	21.9
1931	3,432	498	17.0	6,945	1,091	18.6	10,377	1,589	18.1
1941	3,788	356	10.4	7,719	774	11.1	11,507	1,130	10.9
1951 ⁽¹⁾	4,598	810	21.4	9,050	1,331	17.2	13,648	2,141	18.6

By Years, 1939 to 1954, Showing Annual Increase

1939	3,708	36	1.0	7,559	79	1.1	11,267	115	1.0
1940	3,747	39	1.1	7,634	35	1.0	11,381	114	1.0
1941	3,788	41	1.1	7,719	85	1.1	11,507	126	1.1
1942	3,884	96	2.5	7,770	51	0.7	11,654	147	1.3
1943	3,915	31	0.8	7,880	110	1.4	11,795	141	1.2
1944	3,963	48	1.2	7,983	103	1.3	11,946	151	1.3
1945	4,000	37	0.9	8,072	89	1.1	12,072	126	1.1
1946	4,093	93	2.3	8,199	127	1.6	12,292	220	1.8
1947	4,176	83	2.0	8,375	176	2.1	12,551	259	2.1
1948	4,275	99	2.4	8,548	173	2.1	12,823	272	2.2
1949 ⁽²⁾	4,378	103	2.4	9,069	521	6.1	13,447	624	4.9
1950	4,471	93	2.1	9,241	172	1.9	13,712	265	2.0
1951	4,598	127	2.8	9,411	170	1.8	14,009	297	2.2
1952	4,766	168	3.7	9,664	253	2.7	14,430	421	3.0
1953	4,897	131	2.7	9,884	220	2.3	14,781	351	2.4
1954	5,046	149	3.0	10,149	265	2.7	15,195	414	2.8

**ANNUAL PERCENTAGE INCREASE IN POPULATION,
ONTARIO, AND CANADA EXCLUDING ONTARIO, 1939-1954***

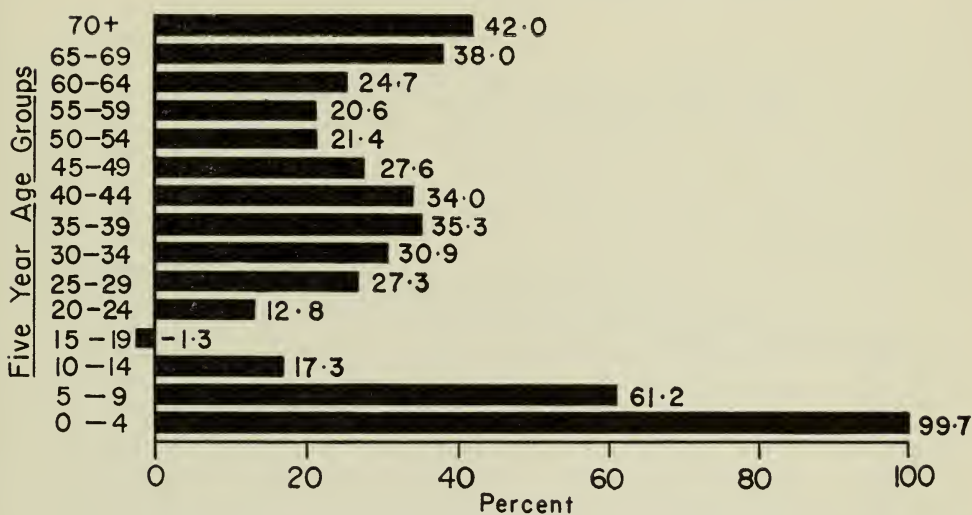


* For purposes of graphical presentation Newfoundland's Population is excluded from that of Canada

(1) Excludes Newfoundland.

(2) The large population increase experienced by Canada in this year was due to the entry of Newfoundland into Confederation on March 31. On June 1, 1949, Newfoundland had a Population of 345,000.

**PERCENTAGE INCREASE OF ONTARIO'S POPULATION
BY FIVE YEAR AGE GROUPS, 1954 OVER 1941**

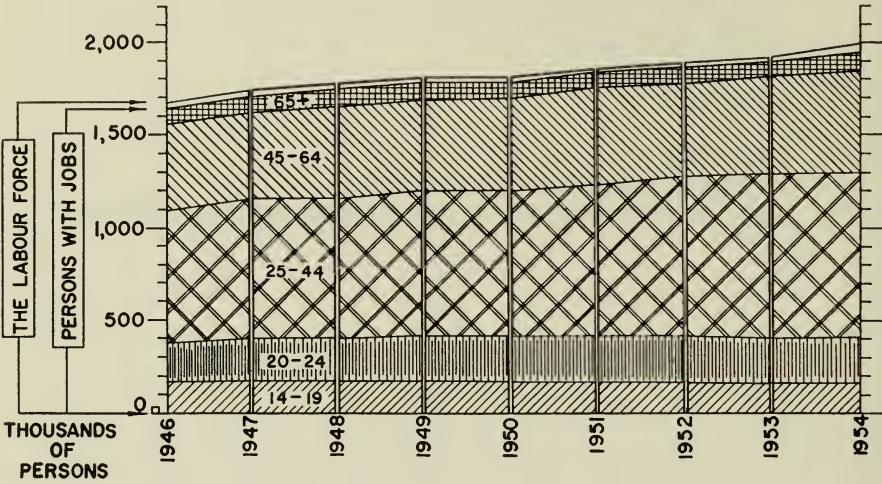


ONTARIO'S LABOUR FORCE

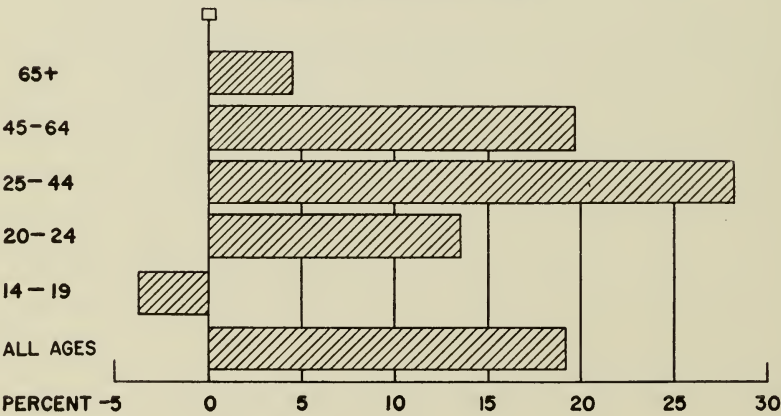
Ontario's labour force is defined as that portion of the population fourteen years of age and over who are at work, available for work or temporarily absent from work for reasons such as sickness, holidays, lay-offs and industrial disputes. The labour force is not fixed in size, but is in a state of flux. The force is expanded by the entry of young persons, immigrants and temporary workers—students, for example. It is contracted as a result of deaths, retirements and marriages. Further contraction occurs as a result of emigration and physical incapacity. Hence, apart from any long-term growth, it is apparent that the numbers in the labour force will vary considerably from season to season throughout the year.

Factors which affect the composition of the Province's population have a direct bearing on the structure of the labour force. Although the total population of Ontario grew by 23 per cent between 1946 and 1954, the labour force increased by only 19 per cent—to about 2 million persons. The difference was largely due to the high post-war birth rates which increased the population in the 0-9 age group out of proportion to the growth of the rest of the population. The population chart above, covering the years 1941 to 1954, shows this very clearly. Obviously, with the proportionately larger growth at the two ends of our population scale, we have a much smaller labour force in relation to our total population than we have had in the past. This, of course, has many significant implications affecting employment and the need for a wide range of structures, goods and services such as schools, hospitals, dwellings, furniture and wearing apparel of all kinds. The chart on the next page also shows in a graphic way the decline in the number of young persons aged 14 to 19 in the labour force between the years 1946 and 1954. This decline is an unmistakable reflection of the low birth rates in the 1930's and the lengthening out of the average period of formal education.

THE LABOUR FORCE IN ONTARIO BY AGE GROUPS
AT THE DATE NEAREST JUNE 1, FOR EACH YEAR



INCREASE IN THE LABOUR FORCE
BY AGE GROUPS IN ONTARIO
BETWEEN 1946 AND 1954



IMMIGRANT ARRIVALS, ONTARIO AND CANADA, SELECTED YEARS, 1939 TO 1954¹

Ontario has received 578,000 immigrants or 52 per cent of the 1.1 million who entered Canada during the nine years, 1946 to 1954. This represented an average of 64,000 immigrants per year in that period or more than ten times the annual average for the fifteen-year period immediately prior to 1946. Post World War II immigration reached a peak in 1951 when 194,000 persons entered Canada, of whom 105,000 or 54 per cent gave Ontario as their destination. Since then, the flow of immigration has receded slightly, although it still remains larger than that for any comparable period, excepting the years of mass immigration immediately preceding World War I.

As stated, more than half of all immigrants to Canada settle in Ontario. In 1946, the immigration rate to Canada was 5.8 per 1,000 population compared with 7.2 for Ontario. By 1951, the rate had climbed to a peak for both Canada and Ontario of 13.9 and 22.8, respectively. Since then, the rate has fallen off, but continues to fluctuate around 11 for Canada and 17 for Ontario. The average annual rate of immigration per 1,000 population for Canada since 1945 is 8.9 compared with 14.0 for Ontario. In sharp contrast, post-war immigration from all countries to the United States has been at an average annual rate of only 1.3 per 1,000 population.

Owing chiefly to a tightening of restrictions, the entry of 154,200 immigrants into Canada in 1954 was about 9 per cent below that in the previous year. Immigration from the United Kingdom fell off by 5 per cent, while that from the United States rose by 8 per cent. Immigration from Northern European and other countries, which together accounted for 65 per cent of Canada's immigration in 1954, declined by 15 per cent and 6 per cent, respectively. Last year, a total of 83,029 immigrants or 53.8 per cent of all immigrants to Canada gave Ontario as their destination.

Calendar Year	CANADA					ONTARIO		
	Immigrants from				Rate per 1,000 Population	Number ²	Rate per 1,000 Population	Ontario % Canada
	U.K.	U.S.	Other Countries	Total				
1939	3,098	5,654	8,242	16,994	1.5	5,957	1.6	35.1
1946	50,984	11,474	9,261	71,719	5.8	29,604	7.2	41.3
1947	35,957	9,444	18,726	64,127	5.1	35,543	8.5	55.4
1948	43,724	7,393	74,297	125,414	9.8	61,621	14.4	49.1
1949	22,201	7,744	65,272	95,217	7.1	48,607	11.1	51.0
1950	13,427	7,799	52,686	73,912	5.4	39,041	8.7	52.8
1951	31,370	7,732	155,289	194,391	13.9	104,842	22.8	53.9
1952	42,675	9,306	112,517	164,498	11.4	86,059	18.1	52.3
1953	47,077	9,379	112,412	168,868	11.4	90,120	18.4	53.4
1954	44,593	10,110	99,524	154,227	10.1	83,029	16.5	53.8

¹Immigration, 1939-1947, *Canada Year Book*, 1950, p. 186; 1948-1954, statements issued by the Department of Citizenship and Immigration, Ottawa.

²Immigrants giving Ontario as their destination.

NEW RESIDENTIAL CONSTRUCTION IN ONTARIO, 1945 TO 1954¹

In 1954, a record of 42,729 housing units, including 1,644 conversions, were constructed in Ontario. This is an increase of 6,225 units or 17.1 per cent above the previous high set in 1953. The number of starts made on new housing construction was recorded at 46,382, representing a gain of more than 19 per cent over those in 1953. Finally, the carry-over of 27,941 new housing units under construction at the end of 1954 was 16 per cent above that at the end of 1953. The size of the carry-over from 1954 indicates that 1955 will also be a good year for housing completions.

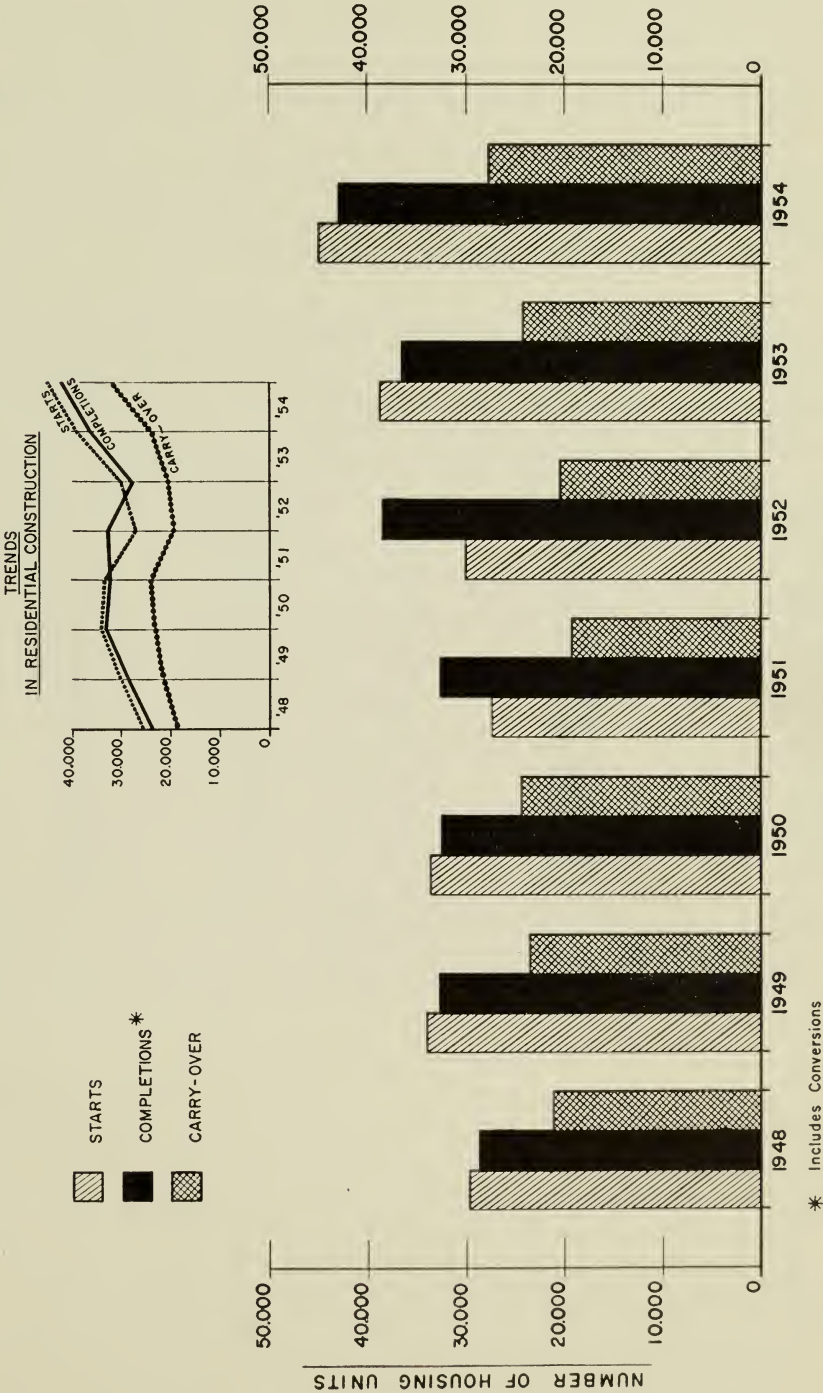
During the 10-year period, 1945 to 1954, a total of over 295,000 new housing units and conversions were completed in Ontario. In the seven years since 1947, nearly 225,000 new dwelling units have been constructed in Ontario, representing 37 per cent of the volume of all new housing construction in Canada.

In 1954, an average of 6.5 months was required to complete a dwelling unit in the Province compared with 6.6 months in the previous year and 7.8 months in 1952. Last year, 76 per cent of Ontario's new housing completions consisted of one-family dwelling units, 21 per cent were apartments and the balance of 3 per cent was two-family detached or row housing.

		Completions				
Year		Starts	New Units	Conversions	Total	Carry-Over
1945	Total.....	N.A.	13,100	2,000	15,100	N.A.
1946	Total.....	N.A.	19,600	1,700	21,300	12,706
1947	Total.....	N.A.	22,500	2,200	24,700	17,243
1948	Total.....	29,976	26,391	2,273	28,664	21,112
	Urban.....	21,547	18,207			16,382
	Rural.....	8,429	8,184			4,730
1949	Total.....	34,023	31,440	1,264	32,704	23,585
	Urban.....	23,107	23,144			16,270
	Rural.....	10,916	8,296			7,315
1950	Total.....	33,430	31,318	1,178	32,496	24,331
	Urban.....	28,428	24,267			19,740
	Rural.....	5,002	7,051			4,591
1951	Total.....	27,349	31,732	973	32,705	19,258
	Urban.....	21,680	26,530			13,159
	Rural.....	5,669	5,202			6,099
1952	Total.....	30,016	27,461	985	28,446	20,513
	Urban.....	24,723	22,601			15,713
	Rural.....	5,293	4,860			4,800
1953	Total.....	38,873	35,173	1,331	36,504	24,134
	Urban.....	30,348	28,324			17,591
	Rural.....	8,525	6,849			6,543
1954	Total.....	46,382	41,085	1,644	42,729	27,941
	Urban.....	39,847	33,874			22,682
	Rural.....	6,535	7,211			5,259
Total 1945 to 1954, inclusive.....					295,348	

¹Figures for the years 1945-1947 are estimated, while those for the period 1948-1954 have been obtained from monthly publications of the Dominion Bureau of Statistics entitled "New Residential Construction."

VOLUME OF RESIDENTIAL CONSTRUCTION IN ONTARIO
1948 — 1954



PERSONAL INCOME IN ONTARIO AND CANADA, 1939 TO 1954¹

In 1954, personal income in Ontario reached a level estimated at \$7.3 billion. This is more than four times the \$1.8 billion in 1939 and nearly double the \$3.8 billion recorded in 1946. The overall increase in personal income for the Province since 1939 amounts to over \$5.5 billion or 313 per cent. Personal income in Canada, over the same period, rose from \$4.3 billion to \$18.1 billion.

Ontario's share of the Canadian personal income has ranged from a high of 42.8 per cent in 1941 to a low of 38.6 per cent in 1948. Over the last few years, it has followed an upward trend and in 1954 the Province accounted for approximately 40 per cent of all personal income in Canada.

On a per capita basis, personal income continues to remain at a substantially higher level in Ontario than in Canada as a whole. Last year, estimated personal income amounted to about \$1,447 for every man, woman and child in the Province compared with \$1,194 for Canada.

Year	ONTARIO		CANADA		Ontario as % of Canada
	Amount (millions \$)	Per Capita \$	Amount (millions \$)	Per Capita \$	
1939.....	1,766	476	4,320	383	40.9
1940.....	2,059	550	4,947	435	41.6
1941.....	2,522	666	5,896	512	42.8
1942.....	3,002	773	7,475	641	40.2
1943.....	3,367	860	8,176	693	41.2
1944.....	3,566	900	9,002	754	39.6
1945.....	3,729	932	9,239	765	40.4
1946.....	3,821	934	9,761	794	39.1
1947.....	4,068	974	10,390	828	39.2
1948.....	4,608	1,078	11,943	931	38.6
1949.....	4,953	1,131	12,757	949	38.8
1950.....	5,303	1,186	13,414	978	39.5
1951.....	6,083	1,323	15,693	1,120	38.8
1952.....	6,659	1,397	17,145	1,188	38.8
1953.....	7,175	1,465	18,085	1,224	39.7
1954.....	7,300 ²	1,447	18,144	1,194	40.2

¹National Accounts, Income and Expenditure, 1926-1950, 1950-1953 and 1954 (preliminary).

²Estimated—subject to revision.

WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME IN ONTARIO AND CANADA, 1939 TO 1954¹

Wages, salaries and supplementary labour income in Ontario, as for Canada, climbed to a new high in 1954. In Ontario, wages and salaries rose to a level estimated at over \$5 billion or 3 per cent above the total in 1953. This is close to five times the \$1.1 billion earned in 1939 and is nearly two and a half times the \$2.2 billion recorded for 1946.

Wages and salaries for all of Canada reached a new peak of \$11.9 billion in 1954. This compares with over \$11.6 billion in the previous year and \$2.6 billion in 1939. In 1954, Ontario accounted for 42.6 per cent of all labour income earned in Canada.

The average weekly wage received by hourly-rated wage-earners in Ontario's manufacturing industries in 1954 amounted to \$59.60. This represents an increase of 2 per cent over the previous year and is close to double the \$31.02 received in 1945. The strength in weekly earnings has been a major factor in maintaining the upward movement of labour income in the Province.

Year	Ontario	Canada	Ontario as % of Canada
	(millions of dollars)		
1939.....	1,092	2,575	42.4
1940.....	1,259	2,929	43.0
1941.....	1,554	3,575	43.5
1942.....	1,816	4,242	42.8
1943.....	2,016	4,783	42.1
1944.....	2,057	4,940	41.6
1945.....	2,047	4,953	41.3
1946.....	2,189	5,323	41.1
1947.....	2,584	6,221	41.5
1948.....	3,010	7,170	42.0
1949.....	3,246	7,761	41.8
1950.....	3,507	8,311	42.2
1951.....	4,090	9,716	42.1
1952.....	4,544	10,818	42.0
1953.....	4,927	11,661	42.3
1954.....	5,075 ²	11,900	42.6

¹National Accounts, Income and Expenditure, 1926-1950, 1950-1953 and 1954 (preliminary).

²Estimated—subject to revision.

NET INCOME OF AGRICULTURE AND OTHER UNINCORPORATED BUSINESS IN ONTARIO AND CANADA, SELECTED YEARS, 1939 TO 1954¹

It is expected that final figures for 1954 will show an increase in the level of net income for agriculture and other unincorporated business in Ontario, as compared with 1953. However, in the case of Canada, total net income of agriculture and other unincorporated business in 1954 declined by over \$550 million from the \$3.3 billion total for the previous year. The fall in Canadian farm net income was due to the sharp drop in the value of grain production in the Western provinces and the marked depletion in farm inventories amounting to \$144 million as compared with an accumulation in 1953 of \$51 million.

Ontario's farm cash income in 1954 rose by \$49 million or 7 per cent from \$692.7 million to \$741.9 million, while the Province's share of the total for Canada stood at 30.8 per cent as compared with 25.3 per cent in 1953. The value of Ontario's field crops amounted to over \$290 million and farm milk production exceeded \$156 million. The production of tobacco, Ontario's most important special cash crop, reached an all-time high of 172.2 million pounds valued at \$73.4 million and was an important factor in the rise in the Province's farm cash income.

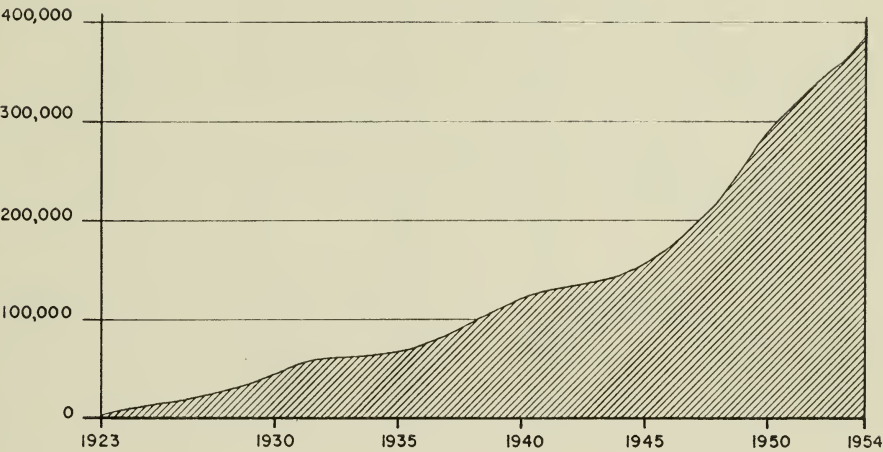
Net income of other unincorporated business in Ontario probably exceeded the level in 1953. This has helped to raise Ontario's total net farm and other unincorporated business income to an estimated \$1,027 million. In 1954, Ontario accounted for 37 per cent of the total Canadian net income received from agriculture and other unincorporated business.

Year	Ontario (millions of dollars)	Canada	Ontario as % of Canada
1939.....	306	899	34.0
1946.....	732	2,161	33.9
1947.....	789	2,350	33.6
1948.....	932	2,953	31.6
1949.....	966	2,969	32.5
1950.....	990	2,846	34.8
1951.....	1,110	3,615	30.7
1952.....	1,002	3,435	29.2
1953.....	1,023	3,308	30.9
1954.....	1,027 ²	2,754	37.3

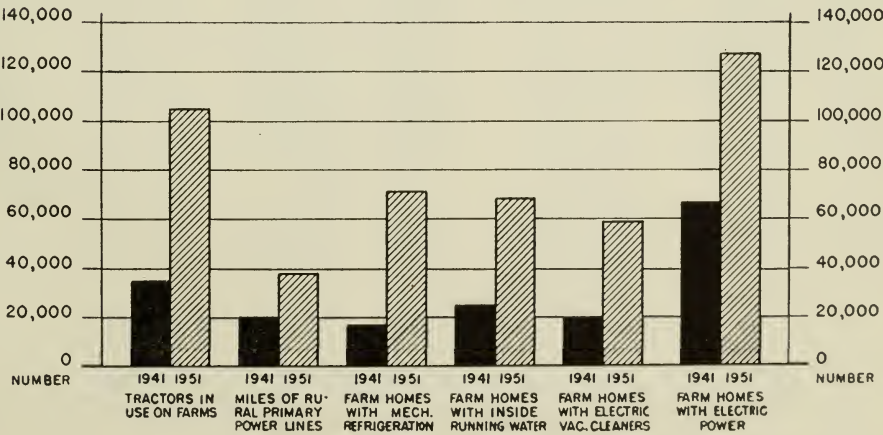
¹National Accounts, Income and Expenditure, 1926-1950, 1950-1953 and 1954 (preliminary).

²Estimated—subject to revision.

NUMBER OF RURAL CUSTOMERS
OF THE ONTARIO HYDRO
1923 TO 1954



SOME FARM IMPROVEMENTS IN ONTARIO
BETWEEN THE CENSUS YEARS
1941 AND 1951



AGRICULTURAL TRENDS IN ONTARIO, 1931 TO 1954

	1931	1941	1951	1954 ¹	% Increase 1954/1931
(Thousands of Current Dollars)					
FINANCIAL:					
Gross Value of Production..	293,224	473,378	1,262,088	1,020,000	248
Net Value of Production ² ...	152,476	236,479	652,451	557,000	265
Farm Gross Income.....	230,795	322,713	962,314	841,000	264
Farm Net Income.....	90,135	170,283	558,174	410,000	355
Farm Cash Income.....	171,004	274,387	786,805	741,890	334
INDEX NUMBERS IN CURRENT DOLLARS					
Gross Value of Production..	100	161	430	348	
Net Value of Production...	100	155	428	365	
Farm Gross Income.....	100	140	417	364	
Farm Net Income.....	100	189	619	455	
Farm Cash Income.....	100	160	460	434	
INDEX NUMBERS IN CONSTANT 1935-39 DOLLARS ³					
Gross Value of Production..	100	130	132	133	
Net Value of Production...	100	125	132	140	
Farm Gross Income.....	100	120	192	164	
Farm Net Income.....	100	170	326	233	
Farm Cash Income.....	100	148	194	181	
					% Increase 1951/1931
FARM MACHINERY AND IMPLEMENTS:					
Motor Trucks.....	14,586	17,537	41,486	.....	184
Tractors.....	18,993	35,460	105,204	.....	454
Grain Combines.....	.....	796	10,031	.....	...
Threshing Machines.....	8,490	9,094	15,946	.....	88
					% Increase 1954/1931
FARM ELECTRIFICATION:					
Farm Customers Billed.....	20,000	58,000	123,000	140,000	600
					% Increase 1954/1931
RURAL ELECTRIFICATION:					
Rural Customers Billed (All Types).....	54,280	131,254	318,606	390,617	620
Miles of Hydro-Electric Line	8,197	20,023	38,198	42,540	419
					% Increase 1951/1941
FARM AMENITIES:					
Total Occupied Dwellings ..	.....	180,064	166,955	.....	—7
Electric Lighting ⁴.....	.....	67,164	127,225	.....	89
Furnace Heating.....	.....	33,312	48,260	.....	45
Inside Running Water.....	.....	25,209	68,170	.....	170
Private Bath or Shower.....	.....	19,267	42,055	.....	118
Flush Toilet—Private.....	.....	17,106	41,935	.....	145
Mechanical Refrigeration...	.....	16,746	71,015	.....	324
Radio.....	.....	118,474	147,655	.....	25
Telephone.....	.....	91,093	113,940	.....	25
Electric Vacuum Cleaner...	.....	19,865	58,815	.....	196
					% Decrease 1951/1931
FARMERS AND FARM LABOUR FORCE:					
Farmers and Stock Raisers.	165,689	159,980	132,803	.....	20
Agricultural Labour Force..	305,287	270,267	203,368	.....	33

¹Preliminary estimates—subject to revision.

²The post-war accumulation of farm inventories was halted in 1954 with the result that the net value of agricultural production did not reflect the rise in farm cash income.

³Value figures deflated by the Index of Farm Prices of Agricultural Products in Ontario on the base 1935-39 = 100; income figures by the Price Index of Commodities and Services used by Farmers (Eastern Canada) on the base of 1935-39 = 100, as published by the Dominion Bureau of Statistics.

⁴Includes privately generated supplies.

ONTARIO HYDRO'S PRODUCTION OF ELECTRICAL ENERGY, 1939 TO 1954

In 1954, the production of electrical energy by The Hydro-Electric Power Commission of Ontario reached an all-time high of 18.1 billion kilowatt hours. The current level of energy output by the Commission is more than three times that in 1939 and more than double the 8.5 billion kilowatt hours in 1946. Ontario Hydro's share of the energy output by all central electric stations in the Province has climbed from 73 per cent in 1939 to 79 per cent in 1946 and to a record 86 per cent in 1954. The increase in the Commission's energy output over the fifteen-year period 1939 to 1954 amounts to 12.2 billion kilowatt hours of which 8.6 billion kilowatt hours or 70 per cent was added during the five years 1950 to 1954. Last year, chiefly through its own generating facilities, Ontario Hydro supplied 20.5 billion kilowatt hours of energy or 88 per cent of the total primary energy consumed in the Province. This compares with 6.3 billion kilowatt hours or 75 per cent in 1939.

These huge increases in energy output are the result of new generating plants built by Ontario Hydro under its post-war construction program inaugurated in November, 1945. By the end of 1954, this program succeeded in raising the dependable peak capacity of the Commission's own generating stations to 4.6 million h.p., or to nearly three and one-half times the 1.4 million horsepower capacity at the end of 1939. Ontario Hydro's investment to carry out its post-war additions to new generating plant, lines and equipment has totalled \$1.2 billion. By 1960, the Commission expects that its own generating stations will have a dependable peak capacity of approximately 6.2 million h.p., which together with nearly 1 million h.p. of purchased power will make available at that time a supply of over 7 million h.p.

Calendar Year	Production of Energy			Consumption of Primary Energy		
	By all Central Electric Stations ¹	By Ontario Hydro ²	Ontario Hydro as % Total	Purchased from all Central Electric Stations ¹	Purchased from Ont. Hydro ²	Ontario Hydro as % Total
	(Thousands of Kilowatt-hours)			(Thousands of Kilowatt-hours)		
1939	8,064,136	5,910,279	73.3	8,426,240	6,346,598	75.3
1940	8,877,012	6,655,728	75.0	9,856,286	7,616,764	77.3
1941	9,780,364	7,314,514	74.8	10,582,970	8,754,926	82.7
1942	10,142,115	7,617,377	75.1	11,651,285	9,670,183	83.0
1943	10,282,700	7,778,586	75.6	11,742,903	9,812,789	83.6
1944	10,543,539	8,076,988	76.6	11,703,926	9,862,467	84.3
1945	10,808,447	8,515,315	79.2	12,037,601	10,332,592	85.8
1946	10,755,071	8,517,610	79.2	12,265,093	10,543,758	86.0
1947	11,540,057	8,846,443	76.7	14,616,900	12,348,990	84.5
1948	11,678,680	8,984,176	76.9	15,118,147	12,717,867	84.1
1949	12,166,042	9,472,787	77.9	15,762,303	13,357,455	84.7
1950	13,437,351	10,818,484	80.5	17,306,306	14,918,953	86.2
1951	16,903,001	14,025,616	83.0	19,880,174	17,144,461	86.2
1952	18,167,160	15,271,704	84.1	21,048,921	18,392,336	87.4
1953	19,025,149	16,262,761	85.5	22,197,918	19,587,891	88.2
1954	20,963,613	18,077,667	86.2	23,200,361	20,470,101	88.2

¹Compiled from D.B.S. monthly reports entitled "Central Electric Stations."

²Figures supplied by The Hydro-Electric Power Commission of Ontario.

ONTARIO'S MINERAL PRODUCTION, 1939 TO 1954

In 1954, Ontario continued to hold its traditional position as Canada's leading mineral-producing province. Preliminary figures indicate that the Province's total mineral production in 1954 reached a new record level of \$485 million, an increase of \$19 million over the previous year. Ontario's current mineral production is valued at more than two and a half times that in 1946. Historical records show that, up to the end of 1954, Ontario's mines and quarries have produced minerals valued at over \$7.9 billion.

Ontario accounts for 51 per cent of the value of all metals mined in Canada. Virtually the whole of the Canadian output of nickel, platinum metals, cobalt, nepheline syenite and graphite, is produced in the Province. In addition, Ontario accounts for most of the salt that is mined, 54 per cent of the nation's output of gold, 47 per cent of its copper and 32 per cent of its iron ore.

Large deposits of copper, lead, zinc and silver have been discovered in the Lake Manitouwadge area north of Lake Superior. Last year, 42 per cent of the Province's record 50,230 mining claims were staked in this vicinity compared with 9 per cent of a total 29,019 claims in 1953. The Werner Lake district, just north of Kenora, has also received increased attention based on the discovery of copper, nickel and precious metal deposits. In the Blind River uranium belt, several mining companies have nearly completed development work preparatory to the production of radioactive minerals.

The exploration of new territory and the development of established mineral areas have been expedited by the construction of mining access roads under a program initiated by the Department of Mines in 1951. Since then, more than thirty roads have been completed or are under construction, involving an aggregate of more than 298 miles.

Value of Selected Metals Mined in Ontario

Year	Value of Total Mineral Production \$	Value of Selected Metals Mined in Ontario			
		Nickel \$	Gold \$	Copper \$	Iron Ore \$
1939	232,519,948	50,920,305	111,538,873	32,637,305	341,594
1945	216,541,856	61,982,133	62,576,668	29,771,633	3,635,095
1946	191,544,429	45,385,155	66,639,988	22,502,528	6,822,947
1947	249,797,671	70,650,764	68,068,665	46,018,544	9,313,201
1948	294,239,673	86,904,235	73,338,195	53,384,560	7,482,860
1949	323,368,644	99,173,289	84,762,324	44,658,786	13,192,781
1950	366,801,525	112,104,685	94,406,236	54,411,033	17,562,059
1951	444,667,203	151,269,994	90,760,776	70,861,789	21,205,152
1952	444,669,412	151,349,438	86,144,190	70,973,056	19,632,551
1953	465,877,093	160,430,098	75,119,481	77,587,439	23,137,997
1954	484,992,796	176,467,900	78,265,161	80,902,875	16,763,332

COMBINED PRIVATE AND PUBLIC INVESTMENT IN ONTARIO AND CANADA, 1940 TO 1954

New capital investment in Canada during 1954 amounted to \$5.5 billion. This was a decline of over \$300 million from the value of investment in the preceding year, but it was still the second best year in Canadian history; and should the forecast for 1955 be borne out by events, the uptrend will be resumed and capital investment will again achieve the record level of \$5.8 billion. The main increase in 1954 was in construction, and a further substantial rise is being projected for 1955. On the other hand, the amount of capital expenditure for machinery and equipment was lower in 1954 and this trend is expected to continue into 1955.

Total capital investment in Canada has increased in 13 of the last 15 years. In 1940, it amounted to \$1.0 billion, rose to \$1.7 billion in 1946, and is now ranging from \$5.5 billion to \$5.8 billion, or over five times the level of a decade and a half ago.

An increase in capital investment in relation to our gross national product has also occurred. Whereas in 1940 Canada's capital investment formed 15.3 per cent of the gross value of output of Canadian goods and services, and declined to a low point of 10.8 per cent in 1945, it has amounted to 22 to 23 per cent in recent years.

In Ontario, capital investment has shown a somewhat similar trend. In 1954, it amounted to approximately \$2 billion and is expected to be higher in 1955. Investment in construction, and particularly in housing, showed a sharp increase in 1954.

A breakdown of Ontario's capital investment expenditure by industry reveals that in 1954 utilities accounted for \$450 million, or 21.3 per cent of all capital investment in this Province. The manufacturing industries ranked second with a capital investment of \$432 million, or 20.5 per cent of the Ontario total; residential housing was third with \$407 million; institutional services and direct government outlays amounted to \$397 million; and all other industries made up the balance of \$422 million. Reflecting to a large extent the huge additions to generating plants and betterments undertaken by Ontario Hydro, the investment in utilities in the last seven years has been only slightly less than the total investment in Ontario manufacturing facilities.

In the 15 years, 1940 to 1954 inclusive, a total of \$16.5 billion was invested in Ontario's industrial plant, machinery and equipment, housing, highways, electric power stations and other utilities. This represented 37½ per cent of all capital investment in Canada. In the last 7 years, the annual average increase in Ontario's physical plant, equipment and other assets—that is in physical volume after allowance for price changes—exceeded 6 per cent.

NEW CAPITAL INVESTMENT, ONTARIO AND CANADA, 1940 TO 1954¹

Year	Canada (millions \$)	Ontario (millions \$)	Ontario as % of Canada	Canada's Gross National Product (millions \$)	Capital Investment in Canada as % of G.N.P.
1940	1,048			6,872	15.3
1941	1,463			8,517	17.2
1942	1,542	2,739 ²	40.0	10,539	14.6
1943	1,485			11,183	13.3
1944	1,309			11,954	11.0
1945	1,284			11,850	10.8
1946	1,703	2,048 ²	37.4	12,026	14.2
1947	2,489			13,768	18.1
1948	3,175	1,183	37.3	15,613	20.3
1949	3,502	1,297	37.1	16,462	21.3
1950	3,815	1,419	37.2	18,203	21.0
1951	4,577	1,740	38.0	21,474	21.3
1952	5,285	1,899	35.9	23,202	22.8
1953	5,841	2,070	35.4	24,416	23.9
1954	5,498	2,108	38.3	23,985	22.9
Total	<u>44,016</u>	<u>16,503</u>	37.5		

¹Capital investment data for Canada and Ontario have been taken from publications of the Department of Trade and Commerce, Ottawa; for the years 1940-1949, Private and Public Investment in Canada, 1926-1951, pp. 151 and 201, and for the years 1950-1954, Private and Public Investment in Canada, Outlook 1954 (Canada and Regional Estimates) and Outlook 1955 (Canada).

²Estimated.

NEW CAPITAL INVESTMENT IN ONTARIO, BY INDUSTRY, 1951 TO 1954¹

Industry	1951	1952	1953	1954
		(millions of dollars)		
Primary Industry and Construction				
Industry	211.7	188.8	190.6	196.9
Manufacturing	395.2	477.3	486.3	432.1
Utilities	361.1	397.1	427.8	449.7
Trade, Finance and Commercial				
Services	175.0	137.0	197.4	225.0
Residential Housing	333.0	309.8	400.0	406.5
Institutional Services and Direct				
Government	263.7	389.3	367.4	397.3
Grand Total	<u>1,740.0</u>	<u>1,899.3</u>	<u>2,069.5</u>	<u>2,107.5</u>

¹Private and Public Investment in Canada—Regional Estimates, Outlook 1953, p. 6, and Outlook 1954, p. 7.

**CURRENT EXPENDITURES BY THE GOVERNMENT OF ONTARIO AND ALL
LEVELS OF GOVERNMENT IN CANADA AS A PERCENTAGE OF
PERSONAL INCOME**

FISCAL YEARS 1938-39 AND 1953-54¹

	1938-39			1953-54		
	Current	Personal	Current	Current	Personal	Current
	Expendi- tures	Income (1938)	Expendi- tures as % Personal Income	Expendi- tures	Income (1953)	Expendi- tures as % Personal Income
	(millions of dollars)			(millions of dollars)		
Ontario Government.....	86.8	1,689	5.1	359.5	7,175	5.0
Federal Government.....	413.0	4,090	10.1	4,246.8	18,096	23.5
Provincial Governments.....	289.2	4,090	7.1	1,073.6	18,096	5.9
Ontario Municipal Governments ..	106.6	1,689	6.3	383.6	7,175	5.3
Canadian Municipal Governments.	288.8	4,090	7.1	743.5	18,096	4.1

¹Compiled from the Bank of Canada Statistical Summary, 1946 Supplement, pp. 39 and 43; the Bank of Canada Statistical Summary, October, 1954, p. 200, and December, 1954, p. 260; Public Accounts of Canada, 1954; Comparative Statistics of Public Finance, 1936-1940, Dominion-Provincial Conference, January, 1941, Table 50; Annual Report of Ontario Municipal Statistics, 1953, pp. xxvi and 131; and National Accounts, Income and Expenditure, Preliminary, 1950-1953, p. 36.

**COMPARATIVE STATEMENT OF ESTIMATED TAX COLLECTIONS IN
ONTARIO BY THE THREE LEVELS OF GOVERNMENT**

FISCAL YEARS 1938-39, 1946-47 AND 1953-54

	1938-39		1946-47		1953-54	
	\$ (millions)	% of Total Tax Collections	\$ (millions)	% of Total Tax Collections	\$ (millions)	% of Total Tax Collections
Federal Government ¹ .	188.5	52.1	1,045.0	85.9	1,881.4	82.2
Ontario Government ² .	54.6	15.1	53.7	4.4	127.1	5.6
Ontario Municipal Governments ³	118.9	32.8	117.9	9.7	279.1	12.2
	<u>362.0</u>	<u>100.0</u>	<u>1,216.6</u>	<u>100.0</u>	<u>2,287.6</u>	<u>100.0</u>

¹Estimated. Compilations of the Federal Government's direct tax collections such as corporation and personal income tax and succession duties, are based on the figures published in the report of the Department of National Revenue, "Taxation Statistics". Federal collections of indirect taxes, such as sales and excise taxes, are estimated on the basis of the ratio of retail sales in Ontario to those in Canada.

²Includes taxes such as those on gasoline, mining profits, succession duty and land transfer, but excludes receipt of \$134.4 million in fiscal year 1953-54 under the Tax Rental Agreement as well as revenue such as that arising from fire protection, motor vehicle licences and fees and liquor control trading profits.

³Ontario municipal government tax collections including arrears are taken from the comparative summary as set out in the Ontario Annual Report of Municipal Statistics, 1953, p. xix.

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